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Algeria... 110 Din. Iran... 110 Rial. Israel... 250 Sheqel. Italy... 200 Lire. Japan... 240 Yen. Korea... 200 Won. Lebanon... 150 L.L. Libya... 200 Din. Mexico... 200 Pesos. Morocco... 200 Dirhams. Netherlands... 200 Guilder. Norway... 200 Kroner. Pakistan... 200 Rupee. Portugal... 200 Escudo. Saudi Arabia... 200 Rial. Singapore... 200 Dollar. South Africa... 200 Rand. Spain... 200 Ptas. Sweden... 200 Krona. Switzerland... 200 Franc. Taiwan... 200 Dollar. Thailand... 200 Baht. Turkey... 200 Lira. U.S.A. 1.00 Dollar. U.K. 1.00 Pound. West Germany... 200 Mark. Yugoslavia... 200 Dinar. Zaire... 200 Zaire.

No. 32,568 46/87

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PARIS, TUESDAY, NOVEMBER 10, 1987

ESTABLISHED 1887

32 Killed In Blast in Colombo

Marxists Opposed To Tamil Accord Are Key Suspects

COLOMBO, Sri Lanka — A bomb exploded Monday in a vehicle on a busy road in Colombo, killing 32 persons and wounding 106. Police and hospital sources said some of the wounded were in serious condition and the death toll could rise to 50. The bomb exploded near a police station in the working-class Maradana district as President Junius R. Jayawardene was in Parliament to discuss two bills aimed at ending a four-year Tamil rebellion. Tamils have been fighting for an independent homeland in predominantly Sinhalese Sri Lanka. Most Sinhalese are Buddhists; most Tamils are Hindus. State-run television said intelligence sources suspected that an outlawed Marxist group, the People's Liberation Front, was responsible for the explosion. The group, which includes nationalist members of the majority Sinhalese community, opposes the terms of Mr. Jayawardene's July 29 pact with India to end the revolt by the island's Tamil minority. A police spokesman said the bomb, estimated at about 110 pounds (50 kilograms) of explosives, went off despite heavy security in and around the capital after three threats to disrupt government activities. The police said the bomb appeared to have been planted in a bus moving toward Pettah, the heart of the capital. They said several members of Parliament had received anonymous threats warning them not to support the bills that are to be debated in Parliament on Tuesday. The bills spell out the powers of semi-autonomous provincial councils to be set up under the India-Sri Lanka pact and designed to meet Tamil demands for a homeland. Political sources said that before the blast some politicians had moved into a hotel in Colombo at the suggestion of the government to ensure their security. Mr. Jayawardene and Prime Minister Rajiv Gandhi of India have both narrowly escaped assassination attempts since they signed the accord. The Sri Lankan government has blamed the People's Liberation Front for the attacks.



Sri Lankan policemen trying to rescue a victim from a car damaged in Monday's blast, which killed at least 32 persons.

Reagan Envisions Talks With Managua

By John M. Goshko Washington Post Staff Writer WASHINGTON — President Ronald Reagan said Monday that the United States was ready to resume high-level talks with the Sandinist government of Nicaragua in the context of the Central American peace process as soon as the Sandinists get into "serious negotiations" with the U.S.-supported rebels. He hinted that if the Sandinists take immediate, substantive steps toward democratization, talks with the United States could begin later this week after President Daniel Ortega Saavedra of Nicaragua comes here Wednesday to address the annual OAS assembly. The administration's easing of its past reluctance to deal directly with the Sandinists on regional security issues capped a sequence of events that began last week when Secretary of State George P. Shultz, elaborating on Mr. Reagan's announcement to foreign ministers of the 31-nation Organization of American States, went to a luncheon for the ministers given by Mr. Shultz at the State Department and said: "When serious negotiations between the Sandinistas and the freedom fighters, under the mediation of Cardinal Obando are under way, Secretary Shultz will be ready to meet jointly with the foreign ministers of all five Central American nations including the Sandinistas." Earlier, following the assembly's opening ceremonies at the Pan American Union, Mr. Shultz answered questions about whether he was willing to meet with Mr. Ortega. Mr. Ortega appeared Monday at a luncheon for the ministers given by Mr. Shultz at the State Department and said: "When serious negotiations between the Sandinistas and the freedom fighters, under the mediation of Cardinal Obando are under way, Secretary Shultz will be ready to meet jointly with the foreign ministers of all five Central American nations including the Sandinistas." Over the weekend, U.S. officials signaled that if negotiations actually began and showed signs of seriousness, the United States would resume direct talks with Nicaragua that were broken off in 1984. Mr. Reagan appeared Monday

Central Banks on Dollar: Dow Falls 58 Points To 1,900

Worries Over Program Trades, Dollar Are Cited



Satoshi Sumita, Bank of Japan governor, in Basel.

By Ferdinand Prorzman International Herald Tribune BASEL, Switzerland — Officials of central banks from the leading industrial nations met here Monday but took no dramatic moves to settle the troubled world financial markets, offering only vague assurances of continued cooperation to bolster the U.S. dollar. The monthly meeting at the Bank for International Settlements proved disappointing to financial analysts who were hoping the U.S. Federal Reserve chairman, Alan Greenspan, would take the opportunity to say what the Fed sees as an appropriate level for the dollar. There was also speculation in the financial markets that the so-called Group of 10 leading industrial nations would take further concrete steps, following last week's coordinated interest-rate shifts by European central banks. Those moves, intended to brake the dollar's sharp slide and relieve strains within the European Monetary System, had little effect. Instead of clear action or precise assurances, the officials issued a statement saying the Group of 10 had "exchanged views on recent developments in the money, capital and exchange markets and are in agreement both on their analysis of the present situation and on the policies that are needed to deal with it." In the statement, the central bankers expressed "their satisfaction at recent measures taken to maintain the smooth functioning of the financial system and reaffirmed their commitment to that end." The bankers also "stressed the importance of moves by governments of major industrial countries to adopt fiscal policies with the objectives of reducing existing pay-

PORTUGAL 7 DAYS DIRECT FROM LONDON... FROM ZIMBABWE... FROM SOUTH AFRICA... FROM AUSTRALIA... FROM NEW ZEALAND...

Foreign Executives Get Chilly Welcome in China

By Daniel Southerland Washington Post Staff Writer BEIJING — For several days recently, representatives of leading foreign companies in China shivered in their offices, bundled in winter coats, as they waited for the city to turn on the heat. The Chinese finally turned the valves releasing the heat, bringing a pause to a three-sided battle that pits tenants at Noble Tower, a new high-rise office building in Beijing, against the building's foreign managers and the managers against Chinese officials. The Chinese withheld the heat because the Canadian managers of the 23-story building refused to pay a one-time fee of 1.7 million yuan (\$457,000) for heating services. The Canadians contend there was no provision for this fee in the original contract and say that they have already paid for heating and other public utilities. Some tenants have drafted a petition to the Chinese authorities demanding "immediate remedial action" and declaring themselves "willing victims" of the dispute between the foreign managers and the Chinese partner. In the petition, the tenants complained that the Chinese partner is charging them for parking and office-cleaning fees that were already covered in their lease. They also complain that the Chinese partner recently changed the name of the building, creating confusion and extra costs for company publicity. The disputes at the tower are in contrast to a recent pledge by the Communist Party chief, Zhao Ziyang, to improve the climate for foreign investment. Noble Tower has the potential to display improvements in China's business climate. It houses what one investor described as a who's who of leading foreign businesses. Among companies with offices in the tower are Siemens AG of West Germany, Philips NV of the Netherlands, and Chemical Bank and General Motors Corp. of the United States. But they say Noble Tower shows what can happen when Communist Party officials get involved in business decisions. As one of Noble Tower's tenants explained, "Leading businessmen in this building are getting to watch on a daily basis what a pain in the neck it can be to try to deal with a joint venture in China." Noble Tower appears to have been jinxed from the start. The foreign partner in the venture, Noble Chong (Asia) Ltd., a Hong Kong company 60-percent-owned by two Toronto real estate developers, Reginald J. Noble and Josephine Chong, announced several opening dates for the building starting in November 1986, but tenants were not able to move into the building until August. The remaining 40-percent interest is owned by Bank of China. Ms. Chong blamed the delays on tenants who repeatedly changed their minds about how they wanted their offices designed and laid out. Tenants complained that Noble



A Protest Unites the Lebanese Moslem women chanting "No to hunger" in West Beirut on Monday at a demonstration against the Lebanese economic crisis.

Dollar's Drop Sending U.S. Salesmen Abroad

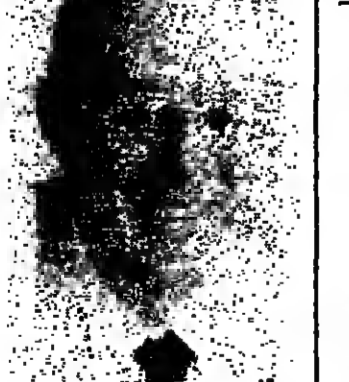
By Steve Lohr New York Times Staff Writer LONDON — With his cowboy boots, buckskin jacket and "slicker" in a greased doorknob vernacular, Bruce McKiernan seems a walking slice of the American heartland, brimming with its can-do optimism and its back-slapping friendliness. For the past two weeks, he has been in West Germany, England and France trying to fan up foreign interest in the specialized computer software made by his 30-employee South Dakota firm, MCS Group Inc. of Rapid City. "We're going for it, we're going international," said Mr. McKiernan, who reports picking up 10 dealers as customers in the German leg of his trip alone. Many American companies, big ones and small ones, are pursuing

Kiosk Italy Votes 'Yes' In Referendums

ROME (Reuters) — Italians overwhelmingly voted "yes" on Monday in referendums to limit nuclear power and make judges more liable for their mistakes, but the referendums produced the lowest turnout in any modern Italian vote. There were five referendums — three on nuclear energy, one exposing judges to civil damage lawsuits for errors and one removing the power of a commission to absolve ministers of criminal charges before parliament decides on lifting their immunity. Partial returns showed a majority of at least 70 percent in all five referendums. The voter turnout was 65 percent.

Zairian River Merchants Thrive in a Modern Heart of Darkness

By Blaine Harden Washington Post Staff Writer ON THE ZAIRE RIVER — The captain, dressed in crisply pressed white pajamas, stalked back and forth on the bridge. As his boat growled back downriver through a green-black rain forest, he shouted and whistled and pointed to the deck below. There, the beasts that had arrived in the night were being auctioned. Glaring, white morning light poured over heaps of mottled fur and squirming legs. It was hot and some of the carcasses were ripening. The night's harvest was mostly monkeys, bundles of them, some smoked, some rotting, some fresh and twitching. They were tied together by their long tails in easy-carrying bundles. There also were antelope, bush buck and giant forest hogs. A sailor with a sharp knife and bloodstained sneakers was methodically cutting throats. From the bridge of the Major Mudimbi, the captain exercised his prerogative as big man on the river. He had first dibs on the game and he bought cheap. His crew hauled the meat upstairs to his private freezer. It would be resold at a 300 percent profit when the boat docked in Kinshasa, the capital of Zaire. In "Heart of Darkness," Joseph Conrad used this river, then called the Congo, as a metaphorical highway to the black reaches of the human soul. His story was rooted in a journey he made on the river nearly 100 years ago. "Going up that river," Conrad wrote, "was like traveling back to the earliest beginnings of the world, when vegetation rioted on the earth and the big trees were kings." But a century of commerce on the river has tamed much of its menace and burned off the Conradian gloom. The "abominable, abominable satisfactions" that chilled Conrad have been supplanted by the more quotidian mercantile intrigues of modern Africa. Once a week for decades, the "heart of an immense darkness" has been penetrated by river boats such as the Major Mudimbi. Part supermarket, part discotheque, part slaughterhouse, part brothel, the boat is open 24 hours a day for river business: the brisk exchange of smoked eels and frilly panties, crocodiles and condoms, giant forest hogs and Dear Heart Complete Skin Lightening Treatment. The Major Mudimbi is an ungainly vessel comprising five rusted barges fashed together with cables and pushed downstream by a four-decked, diesel-powered tug boat. An immense, stinking, oozy, overheated and overcrowded African market, it is choked with about 3,000 people. There are twice that many animals, a menagerie of farm, forest and river creatures, alive and dead, stuffed under benches, hanging from roofs, tied to guard rails. Each year, a quarter of a million passengers and a million tons of freight travel on the river. In Zaire, an ill-governed, impoverished country with one of Africa's worst systems of roads, river trans-



The White House said Judge Anthony M. Kennedy was the leading candidate for the Supreme Court. Page 6.

GENERAL NEWS ■ Tedium and boredom have taken a heavy toll on airline pilots. Page 3. BUSINESS/FINANCE ■ Gotabanken, a Swedish bank, reports a big trading loss on the options market. Page 11. Dow close: DOWN 58.85 The dollar in New York: DM £ Yen FF 1.6595 1.7935 134.25 5.6325

BRIEFS

Radiation Levels
Community foreign...
permitted radiation in food...

Advantage in Game 1
game of the world chess champion...

Table with columns: Black, White, and scores for various players like Kasparov, Nij, etc.

Start on Test Curve
United States and the Soviet Union...

Wastate Southern
The most destructive autumn forest...

VEL UPDATE
Backs Deregulation
International frequent flier...

Modern Heart of Dunk
Three floors the
3,000...

Modern Heart of Dunk
Three floors the
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In Unfriendly Skies, The Wrong Stuff

Tedium and Boredom Take a Toll On 'Razor-Sharp Edge' of Pilots

By Laura Parker
WASHINGTON — The sun was not yet up when Captain Cameron Forsythe and his co-pilot, Patrick McKee, left their hotel in Charleston, South Carolina...

Eleven hours and six landings later, they were headed into Dulles Airport near Washington in a driving rainstorm...

"Typical" to the pilots working one of United's milk runs means longer hours, with as many as seven takeoffs and landings in a single day...

In the first two weeks after Detroit, Captain Forsythe said, passengers would lean through into the cockpit and say things like, "Remember the checklist!"

"I used to really enjoy this job," said Captain Forsythe, who has flown for 30 years, the last five as a captain on Boeing 737 jets.

The skies are increasingly congested. Fewer air traffic controllers, with less experience, oversee more airplanes...

United pilots fly about 83 hours a month, not counting time spent in airports, waiting on delays, and duty time on the ground.

Before each takeoff, they check the weather, calculate the fuel, talk to the mechanics and run through 29 items on two checklists.

Then they queue up at the end of the runway. "Quite often, they get behind small planes, which, with their increasing numbers, have come to represent a greater irritant to commercial pilots."



DESERT DEMONSTRATION — Anti-nuclear demonstrators kneeling on a road leading to the Nevada Test Site 65 miles from Las Vegas to protest the testing of nuclear arms. The police arrested more than 220 people.

Cardinal Unsure About Contra Mediation

By Stephen Kinzer
MANAGUA, Nicaragua — Just two days after the Sandinista government agreed to name Cardinal Miguel Obando y Bravo as intermediary in talks with guerrilla leaders, the cardinal said he was not sure he would accept the job.

At the Mass, he called on the Sandinistas and leaders of the rebels known as the contras to show "a certain flexibility" and to back away from fixed positions.

Yet, in the same speech, Mr. Ortega broke with six years of unwavering refusal by the Sandinistas to talk with contra leaders.

On Sunday, Cardinal Obando y Bravo said he was not prepared to embark on an extended mediation effort.

"We cannot play games while the blood of young Nicaraguans is flowing," he said.

The cardinal, who is archbishop of Managua, said he would consult with other bishops before deciding whether to take on the job.

"At this point, it is a possibility," he said. "Perhaps, by the end of the week, it will be a certainty."

Scientist Doubts Demjanjuk ID Card At Nazi War Crimes Trial in Israel

JERUSALEM — The forensic scientist who exposed the bogus Hitler diaries testified Monday that it was unlikely that John Demjanjuk had signed an identification card used as a key piece of evidence in the former Ohio autoworker's trial for Nazi war crimes.

The scientist, Julius Grant, 86, who specializes in handwriting and paper authentication, cast doubt on the document linking Mr. Demjanjuk to a Nazi training installation for death-camp guards.

The card, which was provided by the Soviet Union, bears Mr. Demjanjuk's photograph, name and signature. But Mr. Grant, who in 1983 exposed the Hitler diaries through forensic chemistry, said he had compared the card with other samples of Mr. Demjanjuk's handwriting and found its authenticity doubtful.

Mr. Demjanjuk, 67, is accused of being a guard known as "Ivan the Terrible" at the Treblinka death camp. If convicted, he could be hanged.

If there is any glamor left to flying, it rests with pilots who fly to places like Bangkok or Hong Kong. There is no romance in flying to Wilmington, North Carolina, twice a day.

Gone, too, is pilot mystique. Stripped away with it was that impression that all airline pilots somehow possessed that perfect blend of confidence, bravado and skill known as the right stuff.

A small hotel on a little street called Rodeo Drive. THE BEVERLY RODEO HOTEL 360 N. Rodeo Dr., Beverly Hills, CA 90210. Telex No. 691366

For Three Days El Salvador Stopped the Fighting and Began Shooting.

United pilots fly about 83 hours a month, not counting time spent in airports, waiting on delays, and duty time on the ground. Captain Forsythe and Mr. McKee fly two- and three-day assignments, flying up and down through the busiest air traffic zones in the country on 40-minute flights.

After the Detroit crash, the Federal Aviation Administration director, T. Allan McArtor, warned pilots in a much-publicized meeting in Kansas City against losing that "razor-sharp edge" and said he was more worried about the fourth landing of the day, the "rouning, no-sweat landing."

For the past three years, the Civil War in El Salvador stopped on three separate Sundays so more than 250,000 children could be vaccinated in a Unicef initiated programme.

Children Count on Us. Can We Count on You? unicef United Nations Children's Fund

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Herald Tribune

Conventional Forces

Throughout the West the walls are heard: Eliminating medium-range missiles from Europe will soon lay pitilessly bare the West's weakness in conventional forces. That's the message of a nuclear layer will survive the prospective Euromissile agreement, and in any case destroying missiles so recently deployed is not the cause of NATO's conventional arms worries. These go back decades.

These 70th Anniversary Rites Celebrate a Tragedy

By William Pfaff

PARIS — The Soviet Union has been celebrating the 70th anniversary of the Russian revolution — but what is there to celebrate? The revolution cruelly failed Russia.

From 1918 to the 1950s. It led to the murder or exile of the country's elites, stifling its creative powers and ruining an intelligentsia whose 19th and early 20th century accomplishments in the novel, music, dance, theater, chemistry, mathematics and medicine had been as imposing as anything any nation has ever achieved.

be conducted in secret in the Soviet Union, in unpublished and unpublished novels and essays, unproduced plays, unscreened or mutilated films, unexhibited paintings. All of this is well known to Russians themselves. If they do not say so, this is not only because to do so still may be dangerous but because it seems intolerable to confront the waste of it all.

excluded from power. The serfs had been emancipated but still lived in essentially medieval conditions. The way the country worked was only painfully changing.

It was changing, though, and if there had been no world war and no October revolution, and if the evolutionary forces at work in the society had not been suddenly cut off, it is reasonable to think that Russians would today be far better off than they are.

It is useless, of course, to talk about what might have happened. It didn't happen that way. Instead there was world war, revolution, collectivization, Stalinism and then another war. And then the Cold War, and a developing American obsession with Soviet Russia and communism — which fed both Soviet pretensions and American illusions.

International Herald Tribune. Los Angeles Times Syndicate.



By ANTONIO in Espresso (Lilburn), CAVY Syndicate.

China: The Economic Challenge Will Require Skillful Managing

By Harvey Feldman

NEW YORK — The 13th congress of the Chinese Communist Party ended the other day with a large-scale overhaul of the Central Committee, the Politburo and its standing committee. After last winter's turbulent student demonstrations, the dismissal of Hu Yaobang as general secretary and the campaign against "bourgeois liberalism," the most remarkable thing about this congress was its bland progression toward a conclusion carefully negotiated by Deng Xiaoping last August.

for the "reform faction." But, as the new general secretary, Zhao Ziyang, told the foreign press: "Some friends abroad think there is a reform faction and a conservative faction. I would say all those who base their analysis of China on this idea will make one mistake after another."

low pay and long lines. It is because an economy that is neither market nor planned, but a peculiar amalgam of the two, creates strains that are tolerable to some in the ruling group as growing pains but are seen by others as signs of serious trouble.

houses are two stories high and there is real glass in the windows. After 40 years of political mobilization and Maoist excess, those who had no chance to spend money on themselves are doing so. While farmers build their houses, county governments buy trucks and cars, increase salaries and rent summer guest houses for their personnel. Factory managers use their discretionary funds for work bonuses, certainly long needed, and better dormitories or canteens.

flation is running at about 15 percent in major urban areas and about 10 percent in the countryside. And because local governments are spending far more on consumption than on infrastructure, the central government has had to step in to make up the difference. There is now an unplanned budget deficit that China deals with by the classic method of printing more money. In the first six months of this year the money supply increased by 50 percent at an annualized rate.

Now Legalize the ANC

Jail doors open slowly in South Africa. It has been nearly three years since President P.W. Botha first mooted the possibility of releasing long-jailed leaders of the African National Congress. One has now been freed, Govan Mbeki, a former president of the ANC sentenced to life along with Nelson Mandela in 1964 on sedition charges.

upon us by the government, and if they want to give it up, the ball is in their court. They must legalize us, treat us like a political party and negotiate with us. Until they do, we will have to live with the armed struggle.

The Ortega Gambit

Give the Sandinists credit for responding to the tough challenge posed to them by Costa Rica's President Oscar Arias, who mobilized almost the whole Western Hemisphere behind a demand that they talk to their despised foes, the contras. Daniel Ortega, the Nicaraguan leader, went part way, returning from Moscow in time to meet a key Nov. 5 deadline of the Central American peace plan and to agree to negotiate a ceasefire with the contras through an intermediary. The contras at once accepted the offer, taking it as a step toward political recognition. The Sandinists can be expected to resist this reading, but a process has begun.

the Arias verification commission. It is made up of 13 Latin countries plus the (Latin) secretaries-general of the Organization of American States and the United Nations. It is due to weigh in on Dec. 7.

Other Comment

Hopeful Signs in South Africa Improvement for Tunisians? Habib Bourguiba's imperial style had done much to fan the fervor of Islamic fundamentalism. It should not be assumed that Zine el-Abidine Ben Ali, the new president, is soft on its extremist manifestations.

Mr. Ben Ali can be expected to introduce sweeping social and political reforms. While those reforms are without doubt overdue, life under Mr. Bourguiba was not all bad — certainly better than in many comparable countries.

Communism: Toward a New Era of Cooperation?

By Stephen S. Rosenfeld

WASHINGTON — The papers are full of news about internal transformations being undertaken in the Soviet Union and China. The two countries are competitive and the situations different, but reports leave the sense that the communist system, far from being the prisoner of dogma and historical inertia, is showing an unexpected capacity for nonviolent renewal — which is supposedly a unique democratic property.

Beijing for more than a decade and are seeing with the Kremlin now, rigid and failing communist states link their renewal to an opening up to the West. They want trade and technology, a respite from the economic and political skewing that goes with external confrontation and, not least, a bonus of privilege (foreign travel, movies) for their middle class.

American ties. The connection has gone far enough to make it possible for the occasional disagreement — China's sale of Silkwood missiles to Iran — to be aired in public and to have its fallout contained.

Belgrade's Review of International Affairs, continues to insist that only American strength, including President Reagan's Strategic Defense Initiative, brought Moscow to a dialogue. Moscow tends to hold that its peaceful initiatives isolated the Reagan administration in domestic and international opinion and compelled it to moderate its ways.

Simon Becomes a Serious Contender

By David S. Broder

EXETER, New Hampshire — When Paul Simon, the senator from Illinois and Democratic presidential contender, visited the public high school here recently, he was in his element. Speaking under a banner that hailed the school's winning of the New Hampshire "academic decathlon" in 1985 and 1987, the scholarly candidate (author of 11 books) talked as earnestly about the importance of learning foreign languages as about his campaign.

Mr. Simon has moved into the top tier of candidates in Iowa. In New Hampshire, he has planted his flag as an alternative to the favorite, Governor Michael Dukakis of Massachusetts. The Southern supermajority is a big hurdle for him, but if the Reverend Jesse Jackson takes the play away from all the white candidates there, then the action will move back to Illinois. New York and Pennsylvania — where Mr. Simon could be as strong as anyone.

tax cutting of the Reagan years and still assert that it was wrong. Not even Mr. Jackson is matching Mr. Simon's proposal to make the federal government the employer of last resort for all long-term layoff victims. And no one else has echoed his promise to have a plan for financing long-term health care costs ready within 60 days of taking office.

100, 75 AND 50 YEARS AGO

1887: Democrats Win

NEW YORK — The Democrats have carried New York State and City — the State ticket by about 12,000 plurality. The Republicans elected the majority of the members of the State Senate and probably of the Assembly. The Democrats in the city elected twenty-one Assemblymen out of twenty-four, a gain of one over last year. The Democrats are wild with delight over the election of Fellows for district attorney.

1912: Turks in Retreat

USKUB, Yugoslavia — Details received here of the recent fighting around Novi Bazar refer to the unusually excellent defense put up by the Turks, who are said to have numbered about 11,000. The Serbians, however, led with intelligence, fought with their customary heroism and won another brilliant victory. The Turkish troops, after escaping from Uskub, succeeded in concentrating around Krtshovo.

ATHENS — The King received a telegram [on Nov. 9] from the Crown Prince announcing the signing of the terms of the surrender of the Turkish troops in the town of Salonica.

1937: Shanghai Falls

SHANGHAI — Shanghai, the greatest commercial center in the Far East, was completely surrounded by Japanese forces and was cut off from the rest of China today [Nov. 9]. Benen by superior military organization and equipment after nearly three months of heroic resistance, the Chinese abandoned all their positions and withdrew in good order, during the night to new defense lines 50 miles north and west of the city. Today only 10,000 were fighting a rear-guard action against desperate odds at Nantao, the Chinese section of greater Shanghai south of the International Settlement. Cut off from any possibility of advance or retreat, bombed incessantly, these 10,000 prefer certain death to surrender.

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مكثامن التصل

OPINION

Why All This Righteousness In a Self-Indulgent Society?

By Tom Wicker

NEW YORK — Numerous valid reasons appeared to be developing for the rejection of Douglas Ginsburg, President Reagan's second-choice nominee for a Supreme Court seat. In the end, however, Judge Ginsburg became one more victim of a moralistic new standard that is more deplorable than the private behavior it condemns.

The American public is being spurred on by the press's dubious new trend toward intrusive inquiry.

Literally millions of Americans older and younger than Judge Ginsburg have smoked marijuana, often or occasionally. Millions still do, and aim to keep on. I am not now and never have been one of them, but it seems to me unfair and hypocritical to suggest that behavior so widespread and so widely accepted should prevent someone from holding high office — even a Supreme Court seat.

It is true that Judge Ginsburg, like all those other pot smokers, was breaking the law. So were people who drank homemade booze during Prohibition, or who until recently in numerous states or localities drank any kind of liquor. So are those today who drink it past a certain blood-alcohol level, or before they reach a certain age.

It is true, too, that Judge Ginsburg was being considered for a law enforcement position. But he already holds one, on the U.S. Court of Appeals. Should he resign it, although he clearly has not been incapacitated by past behavior?

He also may have evaded the question of drug use — not, of course, meaning alcohol use, although alcohol is the most used and abused drug among Americans — when he sought employment at the Justice Department. That is another serious offense — and another committed all the time by job-seekers without number, most of whom go on to respectable lives and careers.

Should none but certifiably pure lawyers who never smoked marijuana, fudged a résumé or broke any law be eligible for judgeships? If so, Chief Justice William Rehnquist should step down: he once was fined for speeding in Vermont. And a kind of generational vendetta will have been carried out: not many who went to law school after 1960 would be eligible for the bench.

The root problem, however, was not lawbreaking or an evasion on an ambitious young lawyer's application; it was the deed itself, the use of drugs, even if only marijuana. The response — in part, a rush by conservatives to be rid of a nominee whose "confirmability" they had come to doubt — was righteously moralistic on the part of a public spurred on by the press's dubious new trend toward intrusive inquiry.

Already that combination has driven Gary Hart and Senator Joseph Biden of Delaware from the presidential race, and damaged the Pat Robertson campaign. Rumors without evidence persist about Governor Mario Cuomo of New York. He, Governor Bill Clinton of Arkansas and Senator Sam Nunn of Georgia all cited the burdens of unremitting press scrutiny of their families and private lives as one reason they would not run for the presidency. Who knows how many other able persons stay out of public life for that reason?

In the wake of the Ginsburg withdrawal, Senator Albert Gore Jr. of Tennessee and former Governor Bruce Babbitt of Arizona, both Democratic candidates for president, have felt forced to disclose that they, too, like so many Americans, smoked marijuana in the past — in Mr. Gore's case while he was a soldier in Vietnam, as well as when he was a student and when he was a young reporter.

The political consequences remain to be seen, although, as Mr. Babbitt put it, "I have a feeling that 50 or 60 or 70 percent of America would be disqualified" if pot-smoking were the standard.

What is happening here? Why this sudden piety about public life in a society reeking of liquor, offering the world's most demanding market for drugs, in which it takes an epidemic of a fatal disease to curb freewheeling sexual behavior? Is this new standard a reaction from an older, puritanical America that never approved these developments? Or is it instead a taste for new sensations, new diversions, in a society becoming jaded by its own excess? Or both?

Either way, the press risks much to its eagerness to hold public figures to the new standard of moralism. Aside from the hypocrisy of editors and reporters, themselves not unfamiliar with adultery and marijuana, freedom of inquiry is too important to be called into question by intrusive, arrogant and sanctimonious prying into private lives and behavior.

Isn't the public that enjoys the resulting headlines being taught to consider a free press as no more than a gossip column or a scandal sheet?

The New York Times.

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The New York Times.



By BEHRENDT in Het Parool (Amsterdam), C&W Syndicate.

Nice Days in Washington, Outdoors

By Haynes Johnson

WASHINGTON — Two stories, one perhaps apocryphal and the other a matter of record, underscore the difficult crosscurrents flowing through Washington during these golden yet sad days.

The first involves a prominent Democrat often mentioned as a strong presidential possibility. His reason for not running, he is supposed to have said privately, is that he is unwilling to become the hapless Herbert Hoover of the 1990s, cleaning up after Ronald Reagan's do-nothing — let-the-problems-accumulate, Calvin Coolidge act of the 1980s.

The other came last week in congressional testimony from David S. Ruder, chairman of the Securities and Exchange Commission. More than two weeks had passed since the stock crash, yet Mr. Ruder told incredulous members of Congress that he had yet to brief the president of the United States about it or even have a detailed conversation with him.

These kinds of revelations, real or fancied, reinforce the sense that things are

seriously out of sync in Washington, and oddly so, given the prevailing sense of physical ease and well-being.

Seldom has the capital been lovelier; one perfect fall day follows another. Seldom has it seemed more entrapped by

MEANWHILE

forces beyond its control as each day brings further evidence of inability to deal decisively with events. The result is drift and uncertainty and an undercurrent of bitterness and recrimination.

In Congress, partisan wrangling erupts. Boos and caucals are heard. Members call for the sergeant at arms to arrest absent members. Privately, some speak with open contempt of the process.

Here, too, as on Wall Street, cries for forceful leadership are voiced. None

seems forthcoming, but not because there are no leaders. Serious, thoughtful people in the political parties are attempting to forge a consensus on deficit reduction and long-term economic planning. So far they are stymied.

That is so because the White House, specifically the president, and congressional leaders have not been able to reach agreement on a course of unified action, or even general strategy. The president, it is said reliably, has been told to his face — and "eloquently," according to one Republican witness — that his failure to act on deficit reduction could forever tarnish his presidential legacy. But he does nothing.

Thus, in the face of a national need for reassurance, the signals sent are not only mixed but also discordant. All of this reinforces the worst fears of Wall Street: from the market's collapse and great monetary loss of October 1987. But the real concern is over another, potentially greater shock to come. That is the specter of recession, possibly a severe one, stemming from failure to put the nation's fiscal house in order.

The comments of one senior Wall Street executive were illustrative of what seems to be a widely shared point of view: "We've had a fiscal crisis," he said, in the midst of a long conversation. "We've had a political crisis. What we haven't had is an economic crisis. . . . Is this an isolated event, or does it link into other things in the economy? All history would say you cannot have a major contraction without reaching into the economy."

"So I think most economists are going to end up concluding real growth is going to be less, you might have a minus quarter and, if you don't really do things, it might be a recession. And you run the risk that, if you don't do things, it could be a very, very bad recession. So we're at the stage where we've had that one-time shock, and it's very easy to say, 'Well, that's that. It's over and gone.'"

"And what has Washington done? The evidence is they're sitting back and saying, 'The stock market is a spectator sport just like football or anything else. It is not a surprise that stocks came down; it is a surprise they went up so much.'"

"What they are missing is that the stock market is down 30 percent plus plus plus. It's no longer a spectator sport. It's linked to the economy. It's linked to society. It's linked to allies. It's linked to the military. All these things get linked with different degrees of intensity depending upon how long you go without political leadership, and the longer you go without political leadership the linkage to the economy intensifies, which then intensifies that linkage to other things. And I think they're making a mistake by not understanding the linkages and acting while the acting is easier."

That's the act Washington has been unable to put together.

The Washington Post.

LETTERS TO THE EDITOR

The Sunday Times Was Out in Front With 'Spycatcher'

Anthony Lewis writes in "If the Press Is to Be Free, It Matters Who Owns It," Nov. 6) that Rupert Murdoch, who owns five British national newspapers, should not be allowed to own another, namely, The Financial Times, owned by the Pearson conglomerate, in which Mr. Murdoch recently acquired a 15 percent share. It is an unexceptional argument which commands wide support. Nobody expects Mr. Murdoch to be allowed to buy The Financial Times if he were to bid for it, which he has not. But the reasons are the need for diversity and competition in the press, and not, as Mr. Lewis would have it, Mr. Murdoch's behavior as a proprietor — a subject on which Mr. Lewis cannot even get his facts right.

The writer contends that Mr. Murdoch forces his British papers in toe a pro-Thatcher line. Mr. Lewis quotes Peter Jenkins, a British columnist, who wrote in The Independent complaining about Mr. Murdoch's interference at The Sunday Times. But Mr. Lewis does not quote the reply of the political editor of The Sunday Times in the letters column of The Independent pointing out that for almost two years Mr. Jenkins was given the most prominent opinion spot in The Sunday Times for his well-known anti-Thatcher views, that at no time was a word of his copy changed and that he left of his own volition. If Mr. Lewis did more than just speak to his left-of-center friends in London, he would be in a better position to give a more accurate view of Mr. Jenkins's claims.

Mr. Lewis's other example of Mr. Murdoch's baleful influence has caused much mirth in London, for he simply does not know what he is talking about. Pearson owns Viking Penguin, the New

York publisher which recently published Peter Wright's "Spycatcher." Mr. Lewis alleges that if Mr. Murdoch had owned Pearson, his pro-Thatcher sympathies would have led him to stop Viking from going ahead with "Spycatcher."

What absolute tosh! The Sunday Times bought newspaper serial rights for "Spycatcher" at great expense and published a huge extract from the book before it was published in America and in defiance of government orders not to publish. The Sunday Times and its editor have been sued for criminal contempt by the attorney general and risk substantial fines and possible jail for defying the government. The paper has been in the forefront of the legal battle to publish "Spycatcher." At huge cost it has referred the issue to the European Court of Human Rights, and its latest effort to have the legal ban lifted begins in the High Court this month.

If any other newspaper had fought so hard for the freedom of the press, Mr. Lewis would no doubt be the first to praise it. Because The Sunday Times is owned by Rupert Murdoch, he seems not even to know about it. I used to regard Mr. Lewis as a serious columnist. No longer.

ANDREW NEIL
Editor,
The Sunday Times,
London.

Under Arrest in Malaysia

In response to the report "For Malaysia, an Image Sullied by a Crackdown" (Nov. 3): The current detention of Malaysian citizens — from the governmental and opposition parties as well as other groups

— under the provisions of the Internal Security Act passed by Parliament in 1960 is a normal measure to prevent a security threat to the country.

Detention of Malaysians posing a security threat has occurred many times in the past. The aim is to rehabilitate those detained and to close off the source of the security threat before violence erupts, in accord with the time-tested adage that prevention is better than cure.

DATUK ISMAIL AMBIA,
Ambassador to France,
Paris.

Standing Trial in Ulster

The demand of political leaders in the Irish Republic for three-judge panels to decide terrorism cases in Northern Ireland is not, as a barrister was quoted as saying to a report of yours (Nov. 6), just "something the politicians are using to try and get off the hook." In our 1983 study on human rights in states of emergency, we said that the laws of evidence "were

Bottom Line at Columbia

In response to the report "A \$100,000 Lesson" (Oct. 15) by Leslie Wayne:

If Asher Edelman is not allowed academic freedom to offer students at the Columbia Graduate School of Business a tidy sum for a takeover tip, where will the next generation of Boesjys come from? And since money is so obviously god to Wall Street traders, is not Columbia also attacking freedom of religion?

F.L. ASHE,
Heredia, Costa Rica.

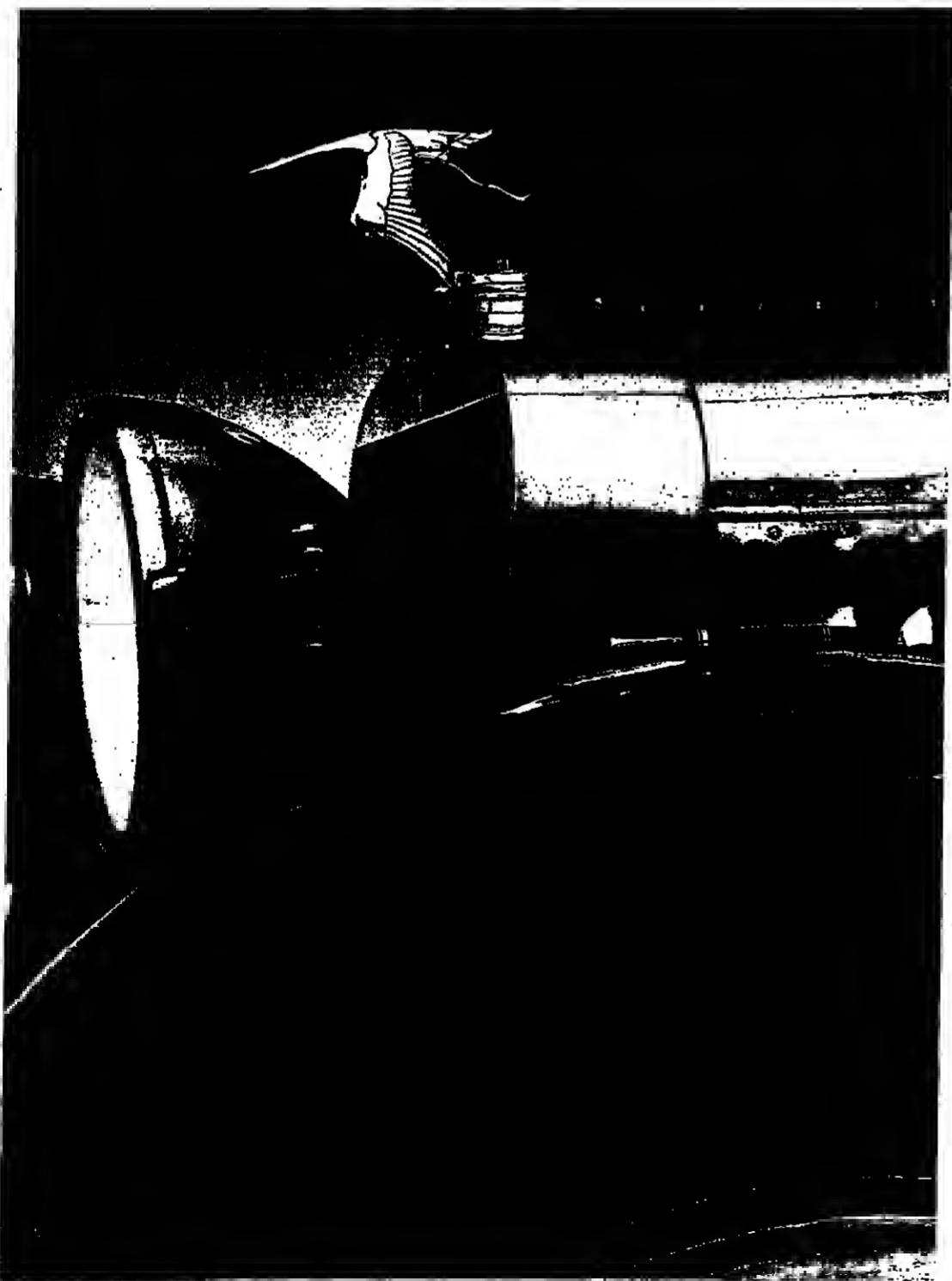
professes to abhor clandestine CIA activities and military solutions.

ROBERT F. ILLING,
Oporto, Portugal.

Assistant Secretary of State Elliott Abrams, in "The Legislators Seem to Think State Is a Menace" (Oct. 22), fails to mention that it was President Reagan who signed the Gramm-Rudman-Hollings balanced budget bill. Surely, as a noncareer appointee, Mr. Abrams shares the president's vision of a smaller government. He should see that crippling the State Department is just one more step toward that goal.

RICHARD PATRICK WILSON,
Mobile, Alabama.

Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.



Little wonder they don't build cars like they used to. Building a pen is difficult enough.

Oh, the elegant lines of the 1925 Hispano Suiza. Oh, the elegant lines of the 1927 Parker Duofold.

The car may no longer be available but happily the pen is making a welcome return.

We have long yearned to recreate this favourite Parker design. And our approaching centenary has provided a suitable excuse.

Like today's top cars the Parker Duofold Centennial boasts working parts that are 'state-of-the-art.'

But unlike them, it boasts workmanship that is somewhat old fashioned.

Rather than mould the cap and barrel 'en masse,' we machine them as we did in the old days, from a solid block.

Rather than cut the nib from some modern metal, we stay true to gold.

Rather than slit the nib on some new fangled contraption, we still do the job by hand, using a blade no thicker than a human hair.

And just as Hispano Suiza road tested its cars thoroughly after manufacture, we put our pens through their paces.

Upon completion, each Duofold Centennial is examined by a white gloved inspector. If deemed perfect, it is filled, written with and cleaned before being released for sale.

It is an exhausting way to produce a pen. But, as with the Hispano Suiza, the looks and handling provide ample reward.



Φ PARKER

J.P.V. cio/ISA

New Leading Candidate For Supreme Court Named by White House

Compiled in Our Staff From Dispatches

WASHINGTON — The White House said Monday that Judge Anthony M. Kennedy was the leading candidate for nomination to the Supreme Court even as President Ronald Reagan bitterly complained that his last nominee had been a victim of "harassment."

Meantime, conservatives in and out of government complained that the previous nominee, Judge Douglas H. Ginsburg, who withdrew Saturday, had been ill-served by the White House.

Fearing that recriminations from that episode could do harm to the next nomination, Mr. Reagan and other White House officials criticized the news media and Education Department officials, saying they misinterpreted a phone call between Secretary of Education William J. Bennett and Judge Ginsburg last week.

But an Education Department official said it was the fault of the White House.

Asked Monday if he was embarrassed by the failure of Judge Ginsburg's nomination, Mr. Reagan said, "No, but I think there are others that should be."

As the selection process moved toward an expected announcement by the end of the week, Mr. Reagan branded as "a distortion" reports that he condoned a move by subordinates to persuade Judge Ginsburg to bow out 10 days after he was chosen. The judge came under fire after acknowledging that he had smoked marijuana in the 60s and 70s.

"I stood by and declared I would not withdraw him," Mr. Reagan told reporters when questioned about Judge Ginsburg during a visit to the headquarters of the United Way, a charity organization. "He voluntarily made that decision on his own."

Judge Ginsburg asked that his nomination be scrapped only after being urged to do so by Mr. Bennett in a Friday night telephone call that Mr. Reagan was said to have authorized.

The White House spokesman, Martin Fitzwater, said Judge Kennedy was the leading candidate but added that it was still possible that someone else would be chosen. Already some conservatives, still angry about the Ginsburg episode, are raising questions about Judge Kennedy.

Senator Jesse Helms, Republican of North Carolina, has said he would fight a Kennedy nomination. And another conservative

senator, Orrin G. Hatch, a Republican from Utah and member of the Judiciary Committee, said Monday that he foresaw possible problems with Judge Kennedy.

"If they think they had problems with Ginsburg, I wonder what they're going to have with Kennedy," he said.

In general, though, conservative senators said they would probably support Judge Kennedy not because they liked him but because they saw no alternative.

Judge Kennedy, passed over Oct. 28 in favor of Judge Ginsburg, sopped a short list of candidates as Mr. Reagan's third choice in less than a month to fill the Supreme Court vacancy created by the June retirement of Justice Lewis F. Powell Jr.

With regard to the Ginsburg nomination, Mr. Reagan asserted that there was no administration involvement in the withdrawal and said, "He chose to leave in view of the harassment that was coming."

Minutes later, he tempered that remark by saying only that Judge Ginsburg had been subjected to "the clamor that arose."

Mr. Fitzwater adamantly insisted that Mr. Reagan in no way encouraged the advice to Judge Ginsburg, even though a spokesman for Mr. Bennett said the president was fully aware of the education secretary's intentions Friday and told him, "Do what you think is right."

Angered that the nomination was jettisoned without a fight — the formality of sending the nomination papers to Capitol Hill had not even been observed — Mr. Hatch charged that Mr. Reagan was ill-served by "gutless wonders" on his staff and there was "no doubt" that Judge Ginsburg was "pressured to drop out by the White House."

The broadside appeared aimed at least in part at the White House chief of staff, Howard H. Baker Jr., who was faulted by moderates for not dissuading Mr. Reagan from naming Judge Ginsburg in the first place and by conservatives for dumping the nominee once trouble arose.

Mr. Hatch said his pique only increased Saturday when presidential aides refused to put him through to Mr. Reagan to make a last-minute telephone appeal on Judge Ginsburg's behalf.

"It's time for Ronald Reagan to take charge of his own White House," Mr. Hatch said. "He has relied too much on staff."

'Aging' Takes Increasing Toll on Reagan Presidency

By Steven V. Roberts
New York Times Service

WASHINGTON — President Ronald Reagan's second failure to two weeks to place his nominee on the Supreme Court demonstrates his declining political influence and ability to shape public policy in his final 14 months in office, political analysts to both parties say.

Mr. Reagan still retains the enormous power that attaches to the presidency, including the authority to conduct foreign affairs and to veto legislation. But he now is viewed as less able than at any time to the last seven years to impose his will on the government.

"Of course it hurts the president to lose two Supreme Court nominees," said a Republican politician with close ties to the White House. "It shows that the pendulum has swung, that the president is weak. Taken in light of the year the poor guy's been having, the editorials will start spearing forth that this administration is over. But dog-gone it, presidencies age, and this is an aging presidency."

For the last several weeks, Washington has seen the signs of aging, loss and defeat. Two weeks ago the Senate rejected Mr. Reagan's first choice for the Supreme Court, Judge Robert H. Bork, on a 58-42 vote, the largest defeat for a court nominee in history. Many lawmakers said their votes were based on what they saw as Judge Bork's insensitivity to individual rights.

On Saturday, Judge Douglas H. Ginsburg, Mr. Reagan's second selection, asked that his name be withdrawn after questions were raised about his legal ethics and personal life, particularly his admission that he had smoked marijuana while teaching at Harvard Law School. Amid the turmoil, Mr. Reagan's wife, Nancy, underwent surgery for breast cancer and, four days later, her mother died. Last week Defense Secretary Caspar W. Weinberger, one of the president's oldest and closest advisers, resigned his post, citing the illness of his own wife, Jane.

The resignation of Mr. Weinberger, who had served through Mr. Reagan's entire tenure, was a major blow, White House aides said. He was the third cabinet officer to resign this fall, and his departure leaves only one longtime associate in Mr. Reagan's inner circle, Attorney General Edwin Meese 3d, whose relationship with the president dates to Mr. Reagan's days as governor of California.

In addition, the White House has been forced to negotiate with Congress on two issues, the budget deficit and arms control, that Mr. Reagan had largely dominated in the first years of his presidency.

To analysts the two sets of talks indicate that the president can no longer push his own program through Congress. But at the same time, they say, the negotiations highlight the fact that Congress cannot ignore the presi-

dent's power to veto measures he does not like and the fact that Mr. Reagan often makes the vetoes stick.

Through all these troubles, friends and advisers say Mr. Reagan has generally maintained his upbeat attitude and "unquenchable optimism," as Mr. Weinberger put it in a Rose Garden ceremony marking his departure last week.

"A lot of occasions during the past year could have gotten the president down, but I don't see it," said one White House official. "He either puts on a great show, or one of the secrets of his longevity is his ability to roll with the punches. His aides seem to age with considerably more speed than he does."

A longtime friend, who talked to the president last week, said he was in a "great mood," telling jokes and looking forward to spending the Thanksgiving holiday at his ranch in California.

However, the friend added, the Supreme Court defeats, combined with political problems on other fronts, had undermined the president's natural ebullience.

"He's not a caretaker if he's still out there in the middle of a possible budget deal, or on the verge of signing an arms reduction agreement," insisted one senior official. "But if Mr. Reagan is not yet a 'caretaker,' there is a widespread consensus in Washington that his influence has been severely reduced. He can no longer, as he once did, frighten lawmakers with threats of retaliation, or appear on television and stimulate support for his policies."



Edouard Saouma, right, after his re-election, and his deputy, Declan Walton of Ireland.

UN Food Agency Re-elects Saouma

The Associated Press

ROME — Edouard Saouma of Lebanon was re-elected Monday to a third six-year term as head of the United Nations Food and Agriculture Organization.

Mr. Saouma, 61, who has served as director-general for 12 years, defeated Mose Mensah of Benin, 94-59, in a secret ballot. The result was announced to the general assembly of the 158-member UN agency at its biennial conference.

There were no abstentions, officials said. A simple majority of

votes cast was required for election. Mr. Mensah, a 53-year-old agronomist, is deputy director of the International Fund for Agricultural Development.

The Food and Agriculture Organization, which is based in Rome and leads Third World agricultural development projects, is the largest specialized UN agency. It has about 7,000 employees and a two-year budget of \$437 million.

Mr. Saouma was backed by

France and Belgium and was believed to have strong support in the Arab world, Latin America, Eastern Europe and Asia.

Mr. Mensah had the endorsement of the United States and other major Western powers, including Canada, Britain, Australia, the Netherlands and the Scandinavian countries. He was also supported by the Organization of African Unity, which represents the largest bloc of member nations and a region that is a major recipient of aid from the agency.

Iran-Contra Panels Cite A Failure to Discipline

By Walter Pincus
Washington Post Service

WASHINGTON — The Iran-contra committees, in their final report, have criticized the Reagan administration for failing to take action against individuals who violated security regulations, and they have called for "uniform enforcement" in the future, according to congressional officials.

Although they are not mentioned by name, the specific targets of the language are Lieutenant Colonel Oliver L. North and Rear Admiral John M. Poindexter.

Both Colonel North and Admiral Poindexter continue to have security clearances giving them access to secret documents despite their testimony in the Iran-contra hearings that they violated rules governing the handling of such documents, according to Pentagon officials.

Colonel North testified to the Iran-contra congressional investigating committees that he shredded documents related to the Iran arms sales and secret aid to the contras in October and November 1986.

Colonel North also said he took some secret documents from his White House office to his home the day he was dismissed a year ago. The top-secret documents were later returned to the White House.

Admiral Poindexter told the committees that while he was President Ronald Reagan's national security

adviser, he had tipped up a highly sensitive 1985 presidential intelligence authorization related to the Israeli arms shipment to Iran in November 1985.

The document was relevant to the inquiry launched by Attorney General Edwin Meese 3d. The admiral said he destroyed it without the president's knowledge.

Despite these admissions, neither the Defense Department nor the Navy Department has so far taken steps to review either man's security clearances under procedures established for dealing with security violations, officials said.

"The navy says their jobs require a security clearance, and they see no compelling reason to revoke their clearances," a spokesman for the defense secretary's office said.

Colonel North is working on plans and policies for Office of the Marine Commandant, and Admiral Poindexter has been working on projects for the Office of the Chief of Naval Operations.

"The navy is not doing anything on it, and they have not been asked to do anything," the Pentagon spokesman said.

Fawn Hall, Colonel North's former secretary, was transferred from the White House to a Navy Department job where she does not have access to secret material, a Pentagon official said. Her security clearance "is under review," he said.

Jordan Says No to Plan By U.S. for Peace Talks

By Thomas L. Friedman
New York Times Service

AMMAN, Jordan — Jordan has rejected an American proposal that the United States and the Soviet Union cosponsor direct peace talks between Israel and a Jordanian-Palestinian delegation, according to a Jordanian official.

"We rejected the idea," the official said. "King Hussein wants a full international conference."

Secretary of State George P. Shultz had made the proposal for Soviet-American sponsorship of negotiations between Jordan and Israel three weeks ago, first during talks Oct. 16 in Israel with Prime Minister Yitzhak Shamir and Foreign Minister Shimon Peres and later in London on Oct. 19 with the Jordanian king.

Mr. Shultz initiated the proposal as an alternative to a full-scale international conference that would involve the five permanent members of the United Nations Security Council, as well as Israel, Syria and a Jordanian-Palestinian delegation.

Hussein has long favored a full-scale conference, but Mr. Shamir rejects the idea, preferring direct negotiations.

Mr. Shultz apparently hoped that a smaller conference, in which the Soviets and Americans would sponsor the opening session and then, in effect, step aside as Jordan and Israel negotiated directly, would be a compromise acceptable to both sides. It could satisfy Jordan's demand for some kind of international cover for entering into peace talks with Israel as well as satisfying Israeli demands for direct talks with Jordan.

Mr. Shamir was not enthusiastic about the Shultz proposal but he agreed to have him explore it with Hussein and the Soviet Union.

According to the Jordanian official, Hussein rejected the idea when it was broached by Mr. Shultz in London.

Moscow Drops Demand

The Soviet Union has dropped its demand for a separate Palestinian Liberation Organization delegation in peace talks, an Israeli official said Monday. The Associated Press reported from Washington.

Palestinians would be mixed in with Jordanians for the negotiations, an arrangement that is considered acceptable by both Israel and the United States.

Living Abroad Weighing

By Sherry B. Kleinfield
New York Times Service

A bilingual education program is being tested in a public school in New York City. The program is designed to help students who are not fluent in English to learn the language more effectively. The school is reporting that the program is working well and that the students are making significant progress in their English language skills.

مكتبة التراث

Living Abroad

Weighing the Pros and Cons of Bilingual Education

By Sherry Buchanan International Herald Tribune

A bilingual education can pose problems even for children who are fluent in both languages, some educators say.

They also say there are limits to bilingualism in a curriculum if students are to gain maximum benefit.

In a bilingual school, children take some of their courses in one language and some in another.

Paul Decorvet, coordinator of programs at the Foundation of the International School of Geneva, said, "After a two-year experiment, we decided to discontinue a totally bilingual course, where children were getting half of their instruction in English and half in French."

"The children taking the bilingual course were ending up with only a superficial knowledge of two languages and cultures," he said.

"They were becoming rootless international types with deficient references in both languages."

The school, which offers the international baccalaureate, the O levels, the Swiss maturity and the French baccalaureate, provides students with the option of taking a limited number of classes in a second language — for instance,

chemistry in French and biology in English.

Although the language and course mix varies from school to school, educators say writing, reading and thinking in different languages takes more energy and time than classwork in one language with heavy emphasis on learning other languages, the standard curriculum in international schools.

Nancy Magaud, director of the American section of the Lycee International in Saint-Germain-Laye near Paris, said, "There is no question that requiring native standard for two different languages and cultures puts more pressure on the child."

Because they are expensive to run and demand is limited, there are relatively fewer bilingual schools than there are international schools, where instruction is in one language with more or less emphasis on learning another language.

Parents sometimes make the mistake of thinking that just because a school is abroad it is bilingual.

"To call a school bilingual more often than not is a misnomer," said Anita Tassel, a co-editor with Carolyn White-Lesieur of "Guide

to Education," (Association of American Wives of Europeans, 49 rue Pierre Charron, Paris, 45FF). The book is a guide to bilingual and international schools in the Paris area.

"If you decide to go that route," she said, "the kid has to be really bright and competitive to be able to undergo that kind of pressure."

A list of bilingual schools in Europe is available in the annual directory of the European Council of International Schools (18 Lavant Street, Petersfield, England, GU32 3EW, \$20). The council is a non-profit organization with 140 member schools around the world.

The organization has also just published "A Guide to Languages and Cultures in English-Language

Based Schools" (available at the same address, \$25).

Some of the bilingual schools teach only a limited number of subjects in the second language — for instance, literature and history.

Others teach a wider variety of courses in a second language and select the language in which a particular course will be taught according to the tougher of the two curriculums.

"At the French-American School in Larchmont, New York, 7-year-olds study, in French, math, reading, grammar, French history and geography. In English, they take social studies, science, U.S. geography and history, music, art and physical education."

"This is a double curriculum," said Sylvette Moschoni, director of the school. "It means a lot of work for a child. A kid who has difficulty just following in his own language will have trouble following our course. A bilingual course is not for every child; we are convinced of that."

Some parents who speak only one language themselves are sending their children to bilingual schools.

"We eliminated the American school option because we didn't come here to have an American experience," said Robert Moran, a business professor from Arizona who is on a one-year leave to teach in France.

"When we initially got here," he said, "we were inclined to have the kids go cold turkey into the French system. But then we heard of the bilingual alternative, we decided it would be the best of both worlds."

All five of Mr. Moran's children — aged 16, 15, 12, 10 and 7, who did not speak any French when they arrived — are enrolled at the Lycee International in Saint-Germain-en-Laye. They take all their classes in French, except for six hours a week in English.

'A bilingual course is not for every child; we are convinced of that.'

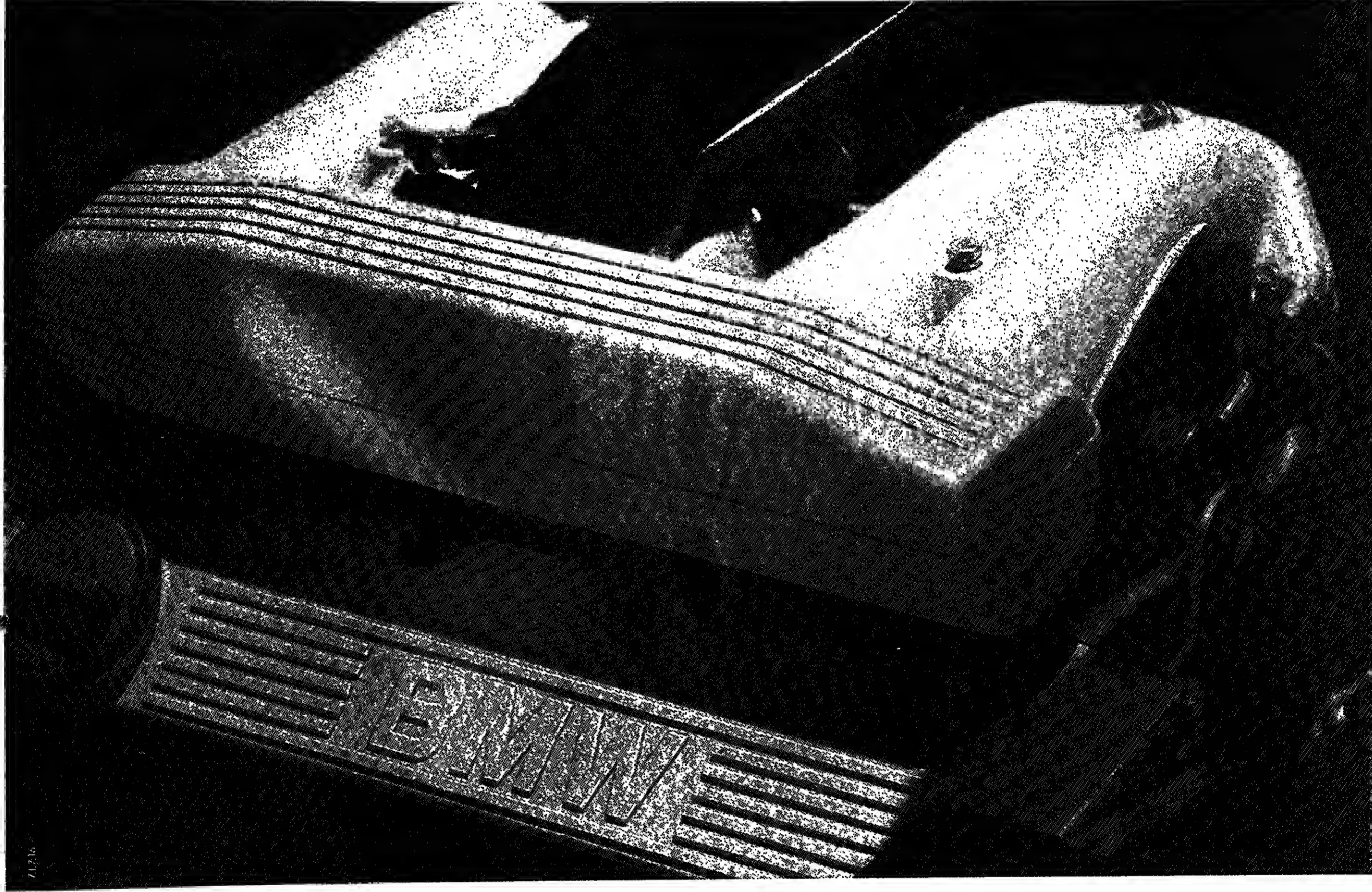
Earthquake Jars Yugoslavia

BELGRADE — An earthquake measuring 5 on the 12-point Mercalli scale shook western Yugoslavia on Sunday night, but no casualties or damage were reported. The Tanjug press agency said the epicenter was near the town of Knin.

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Table with columns: Student/Youth Fares, Montreal, Mexico, Hong-Kong, Tokyo, etc. and corresponding fare amounts.

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For BMW top-class technology has never been a ground for class distinction.

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This passion for cars, and BMW's commitment to providing the ultimate in driving perfection, demolished all the old clichés about big and small cars. Today's large BMWs always surprise drivers by their handling and mobility, which put one sooner in mind of much smaller cars. And vice versa. The sophisticated and innovative technologies of the compact BMWs invariably remind one

of much larger, luxury limousines. So it's hardly surprising that BMW's top-range saloon — the 12-cylinder 750i — has an agility that even we have to admit you'd scarcely associate with its impressive exterior. And the interplay goes further. Because in the BMW 318i you'll re-discover many of the 12-cylinder's fundamental characteristics. Both engines, the new 4-cylinder and

12-cylinder, were designed with the same objectives in mind. The hydraulic valve-play equalizer on both engines ensures minimal maintenance requirements. The identical, close cylinder arrangement makes both engines exceptionally light. Both are surprisingly economical and ecology-minded as a result of the world's most advanced electronic engine management system. And both set a new standard for smoothness and power development for every car in their class. Both — the unrivalled 750i and the sporting BMW 3 Series — have been created to give their drivers pure, unadulterated pleasure in driving. And that has always been a classless quality.



The ultimate driving machine

Jordan Says No to Plan By U.S. for Peace Talks

By Thomas L. Friedman International Herald Tribune

AMMAN, Jordan — Jordan rejected an American proposal for a Union-sponsored direct peace talks between Israel and a Jordanian delegation.

"We rejected the idea," King Hussein said. "King Hussein was Secretary of State George Shultz has made the proposal for negotiations between Israel and a Jordanian delegation."

Shultz has made the proposal for negotiations between Israel and a Jordanian delegation. He said the talks would start in October 1988 in London.

Mr. Shultz initiated the proposal as an alternative to a full-scale international conference that would involve the five permanent members of the United Nations Security Council, as well as Israel, Syria and a Jordan-Palestinian delegation.

Hussein has long favored a scale conference, but Mr. Shultz rejects the idea, preferring to negotiate.

Mr. Shultz apparently believes that a smaller conference, sponsored by the United States, would be a compromise step to both sides. It could satisfy Jordan's demand for some international cover for the peace talks with Israel.

Mr. Shultz was not entirely about the Shultz proposal to agree to have him explore Hussein and the Soviet Union.

According to the Jordanian official, Hussein rejected the idea it was brushed by Mr. Shultz.

Moscow Drops Demands The Soviet Union has dropped its demand for a separate international organization to sponsor peace talks, the Associated Press reported from Washington.

Foreign ministers would learn with astonishment for the moment, an arrangement that would be acceptable to both and the United States.

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ARTS / LEISURE

Minis, Bows, Bubbles

By Hebe Dorsey
NEW YORK — Short hemlines and Christian Lacroix dominated the collections of American establishment designers...



Bows from Bill Blass(left), and Lesage embroidered shawl at Calvin Klein.

Dress of the Unexpected

By John Russell
NEW YORK — Like Montague and Capulet, high art and fashion are not supposed to keep company...

runs free and the everyday business of getting dressed and going around the town grows wings...

Where else could one find hats in the likeness of a lettuce, a cabbage and a colander?

Next to it, on a bare white table, are an umbrella and a sewing machine arranged as a table d'hôte...

Somewhere within the show is an idea that goes back into mythology — the idea, for instance, that a beautiful woman could turn into a tree, or vice versa...

All this is shown with due credit in the great progenitors — among them Max Ernst, René Magritte, Salvador Dali — who taught us that the world can be remade...

NEW YORK FASHION

many of them have settled for cropping hemlines to mid-thigh or higher...

There is also much too much Christian Lacroix around and while one can appreciate the shot in the arm he gave the industry...

Unfortunately, the evening was drowned in Lacroix's bubbles and bows, with many of the models looking like glorified milkmaids...

the teeth, they come to fashion shows as if they were going in the opera.

Roehm has toed down her act and has simplified her daytime look while keeping her usual glitz for evening...

Calvin Klein's sensuous collection revolved around the Body Beautiful, from the black, skintight and amply décolleté swimsuits in long high-waisted mermaid sheaths...

hours in make the bride's stole." After a lot of puffs and bubbles, Ralph Lauren's highly personal collection emerged as totally cool and collected...

After a lot of puffs and bubbles, Ralph Lauren's highly personal collection emerged as totally cool and collected. Lauren has dropped his Wild West and British-to-the-manor-born look for a more subtle, white-gloved and urbane style...

Oscar de la Renta, who was born in Spain, went crazy over a bull-fighter's look which, again, owed to a lot to Lacroix, especially the embroidered bustier tops over poufy organza skirts...

and gray jersey look to a positively pussy-cat-pretty approach. The best part of this collection was the beginning with slick, long crêpe jackets over skinny skirts...

Next to it, on a bare white table, are an umbrella and a sewing machine arranged as a table d'hôte. This has been believed by some in fashion in general...

This is a show in which fantasy wasn't around at the time. Nor was most of us seen an armchair with matching footstool, both in the form of a woman's high-heeled shoe, or a handbag in the form of a champagne bucket...

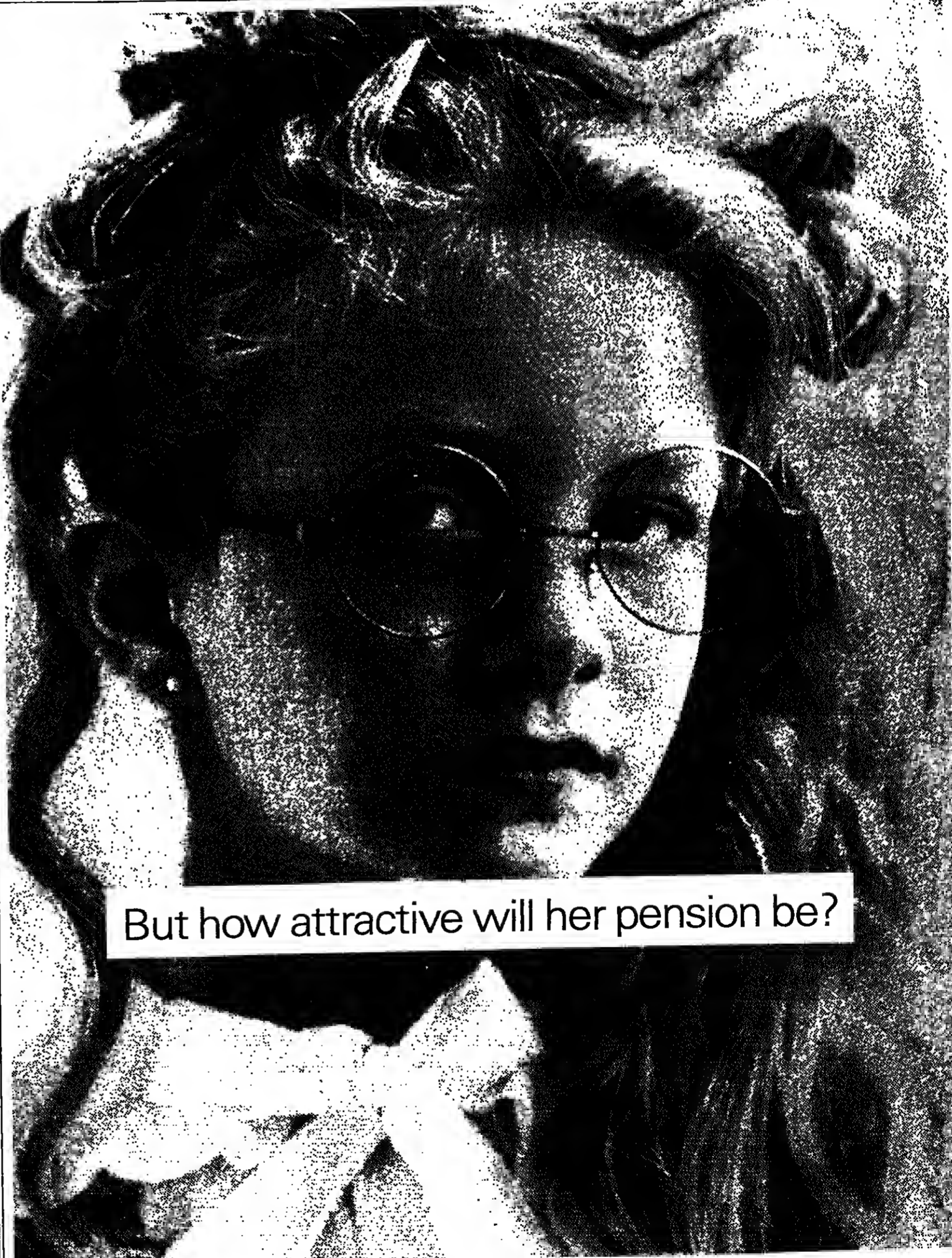
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Who Banned, Is Dead at

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STAN FLY. A... AUTHOR'S BY N.Y. P...

NYSE Most Actives table with columns: Vol, High, Low, Last, Chg.

Market Sales table with columns: NYSE 4 p.m. volume, Amex 4 p.m. volume, etc.

NYSE Index table with columns: High, Low, Close, Chg.

Monday's NYSE Closing Via The Associated Press

AMEX Diary table with columns: Close, Prev.

NASDAQ Index table with columns: Composite, Industrials, Finance, Utilities, Transp.

AMEX Most Active table with columns: Vol, High, Low, Last, Chg.

Dow Jones Bond Averages table with columns: Bonds, Utilities, Industrials.

NYSE Diary table with columns: Close, Prev.

Odd-Lot Trading in N.Y. table with columns: Buy, Sell, % of 100.

Dow Jones Averages table with columns: Industrials, Finance, Utilities, Transp.

Standard & Poor's Index table with columns: High, Low, Close, Chg.

NASDAQ Diary table with columns: Close, Prev.

AMEX Stock Index table with columns: High, Low, Close, Chg.

Tables include the nationwide prices up to the closing on Wall Street and do not reflect later trades elsewhere.

MARKETS: Dow Falls 58 as Anxiety Returns

(Continued from Page 1)
since panic gripped world markets on Oct. 19. The dollar began to retreat on Oct. 23, and its decline accelerated after the Reagan administration asserted that its top priority was thwarting a post-crash recession by keeping interest rates down, even if that meant the dollar must fall. The central bankers issued what was viewed as a clarified statement Monday saying that they approved "the recent measures taken by European central banks," an apparent reference to coordinated cuts in interest rates recently in several European countries. Wall Street traders were pessimistic. "The risk is still great in this market," said Ricky Harrington, a technical analyst with Interstate Securities Corp. in Charlotte, North Carolina. "The investment community continues to be too complacent over what has happened in recent weeks. We are in a bear market, and bear markets do not end in an atmosphere of complacency." Mr. Harrington said he expected to see lower prices "much sooner than widely expected, with a full-fledged test of 1,700," a reference to the level of the Dow average, "over the very near term." The market will have abrupt and violent rallies from time to time," Mr. Harrington said. "But it will come a lot more evidence to prove this market is not a bear market." "Economic fundamentals are the main reasons the market is coming down," he added.

with "those fundamentals being the trade and budget deficits and weakening productivity." Referring to the program trading, Brad Weeks of DLJ Securities said, "There were really very few programs out there. But fear of the volatility these programs are associated with caused a lot of people to stay out of the market." On Friday, the late-day announcement by the New York Stock Exchange that it would again permit automated program trading triggered selling that knocked the market sharply lower. "It is clear that the psychological impact of the program is still overwhelming the market," said Michael Metz, a market strategist at Oppenheimer & Co. "Investors have been scared off by the programs," he added, referring to the light volume. Panhandle was the most active NYSE-listed issue, down 1/4 to 24 1/2. General Electric, off 1 1/2 to 44 1/2 and American Electric Power was third, down 3/4 to 25 1/2. IBM fell 1 1/2 to 118 1/2, while AT&T declined 3/4 to 28 1/2. Among the other blue chips, American Express lost 1 to 24 1/2, USX was down 3/4 to 27 1/2 and Kodak slipped 1/4 to 49 1/2. In the automobile sector, General Motors rose 3/4 to 58. Ford dropped 2 1/2 to 73 1/2 and Chrysler was unchanged at 34. Digital Equipment fell 1 1/2 to 132 1/2. Merck lost 3/4 to 173 1/2. Synalloy led the Amex actives, off 1/4 to 4. (UPI, AP, Reuters)

Large table of stock prices with columns: 12 Month High, Low, Stock, Div, Yld, PE, etc.

Large table of stock prices with columns: 12 Month High, Low, Stock, Div, Yld, PE, etc.

Large table of stock prices with columns: 12 Month High, Low, Stock, Div, Yld, PE, etc.

Large table of stock prices with columns: 12 Month High, Low, Stock, Div, Yld, PE, etc.

Vertical advertisements on the right margin including 'Uphaval Fun American Tr', 'THE CLEARING PRO...', 'Current', and 'Interest'.

BUSINESS ROUNDUP

Approval Expected for BA-Caledonian Merger

Reuters
LONDON — Britain is expected to give conditional approval to a disputed plan for British Caledonian Airways, the independent airline, to merge with the recently privatized British Airways, industry sources said Monday.

Lord Young, the trade and industry secretary, is expected to announce his decision this week after reviewing a report from the Monopolies and Mergers Commission.

The two airlines, which had been bitter rivals, announced July 16 that British Airways would acquire the smaller British Caledonian for £237 million (\$423 million).

Industry sources said an announcement was likely Wednesday, to coincide with British Airways' interim financial report.

But they said Lord Young was expected to attach conditions to his acceptance of the agreement, which British Caledonian's chairman, Sir Adam Thomson, says is vital to his company's survival.

British Caledonian reported a £19.3 million pretax loss last year.

British Airways, which was sold to private

investors by Prime Minister Margaret Thatcher's Conservative government in a £900 million share issue earlier this year, made a £90 million profit in the first quarter of its 1987-88 financial year.

Sir Adam has said that if the deal falls through British Caledonian will be forced to

Industry sources expect the trade secretary to attach conditions to the deal, which British Caledonian portrays as vital to its survival.

approach other partners, including foreign airlines.

The merger is intended to create a "mega-carrier" capable of competing with the big U.S. airlines. In addition, British Airways had hoped to benefit from British Caledo-

nian's lucrative European routes, but the industry sources said the government may transfer some of those routes to smaller airlines.

Small independent carriers such as British Midland and Air Europe have campaigned vigorously against the merger, saying it would force them out of business or oblige them to operate further away from London.

The British government can refer merger proposals to the Monopolies and Mergers Commission, which makes recommendations to the trade and industry secretary. His decision is final.

Under the rules, British Airways' bid automatically lapsed when it was referred to the Monopolies and Mergers Commission.

If Lord Young agrees to the acquisition, British Airways normally would simply renew its offer. But the dramatic slump in world stock prices in recent weeks, as well as the declining value of the dollar, means that British Airways could submit a much lower offer.

If the offer was not good enough, British Caledonian might look elsewhere.

Toyota Investing Another \$300 Million in U.S.

Reuters
GEORGETOWN, Kentucky — Toyota Motor Co.'s U.S. subsidiary said Monday that it would spend another \$300 million to expand its automobile plant under construction here, bringing its total investment in the Georgetown facility to \$1.1 billion.

Toyota, Japan's leading automobile company, had previously committed \$800 million to build its first wholly owned U.S. car manufacturing complex here in an effort to sidestep the quotas that limit its exports to the U.S. market.

Toyota's plan follows the trend of other Japanese car makers with U.S. plants. Spurred by the weak dollar and the threat of new trade barriers, Japanese companies have been making plans to replace imported parts with U.S.-produced components.

Honda Motor Co., which opened the first Japanese-owned car assembly line in the United States in 1982 at Marysville, Ohio, announced earlier this year investments of about \$600 million for expansion of engine and car-manufacturing capacity.

Honda said its aim was to increase U.S.-manufactured content of its vehicles in about 70 percent within a few years from the 50 percent level in early 1987.

The Toyota plant, run by Toyota Motor Manufacturing U.S.A. Inc., will manufacture the Camry midsize car, due to go into production next year with target production of 200,000 cars a year. The new facility, scheduled to begin operation in

1991, will produce engines, axles and steering components.

With the new facility, 75 percent of the Camry will be produced locally.

Toyota's extra investment is expected to add about 500 jobs to the roughly 3,000 previously expected to be employed at the Georgetown complex, which is nearly complete.

In another move to cut costs amid the yen's appreciation, Toyota Motor Co. has said it will build a plant in Indonesia to manu-

facture car engines with a local partner.

William Suriadajaya, president of PT Astra Internasional Inc., the Indonesian partner, said on Saturday in Jakarta that the plant would cost \$75 million.

The plant, scheduled to open in 1990, will have a capacity of 72,000 engines a year. Half will be shipped to Japan and the remainder will be sold in Indonesia.

Astra and Toyota have formed a company called PT Toyota Engine

Indonesia to make the engines, which will have a local content of more than 90 percent, Mr. Suriadajaya said.

Toyota said it chose Indonesia because of its low labor costs and Astra's success in developing an exportable car.

The Indonesian car industry produces 45 models but is running at only 41 percent capacity, according to the Indonesian Automobile Association.

Brazilian Court Upholds VW, Ford on Price Hikes

The Associated Press
SAO PAULO — Brazil's Federal Court of Appeals ruled Monday that the Brazilian subsidiaries of Ford Motor Co. and Volkswagen AG are allowed to increase their prices above official limits.

The court ordered the government to suspend any punitive measures against Autolatina SA, the holding company that groups both subsidiaries. On Friday, Autolatina defied Brazil's rigid price control policy by announcing a price increase of 28 percent for VW vehicles and of 25 percent for Ford vehicles.

Autolatina said that a 16.7 percent increase granted recently by the government did not cover its production costs. It accused the Finance Ministry of breaking an April accord in which the auto industry was authorized to cover manufacturing costs by increasing prices.

Brazil had adopted the price controls to control runaway inflation. After Autolatina announced the new prices, the government threatened to arrest West German, U.S. and Brazilian officials of Autolatina for "crimes against the people's economy."

The Finance Ministry ordered government banks to suspend all credits to Autolatina and tax agents to examine the holding company's records. It also threatened dealers with sanctions.

Ford and VW have been losing money in Brazil. Friday's price increases were viewed as an implicit threat by Autolatina to shut down operations.

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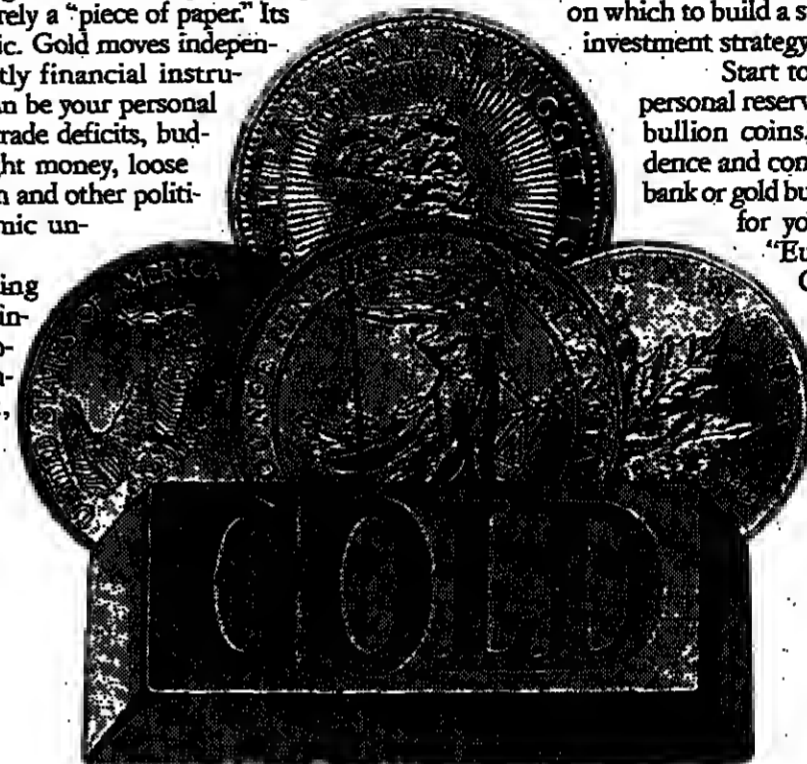
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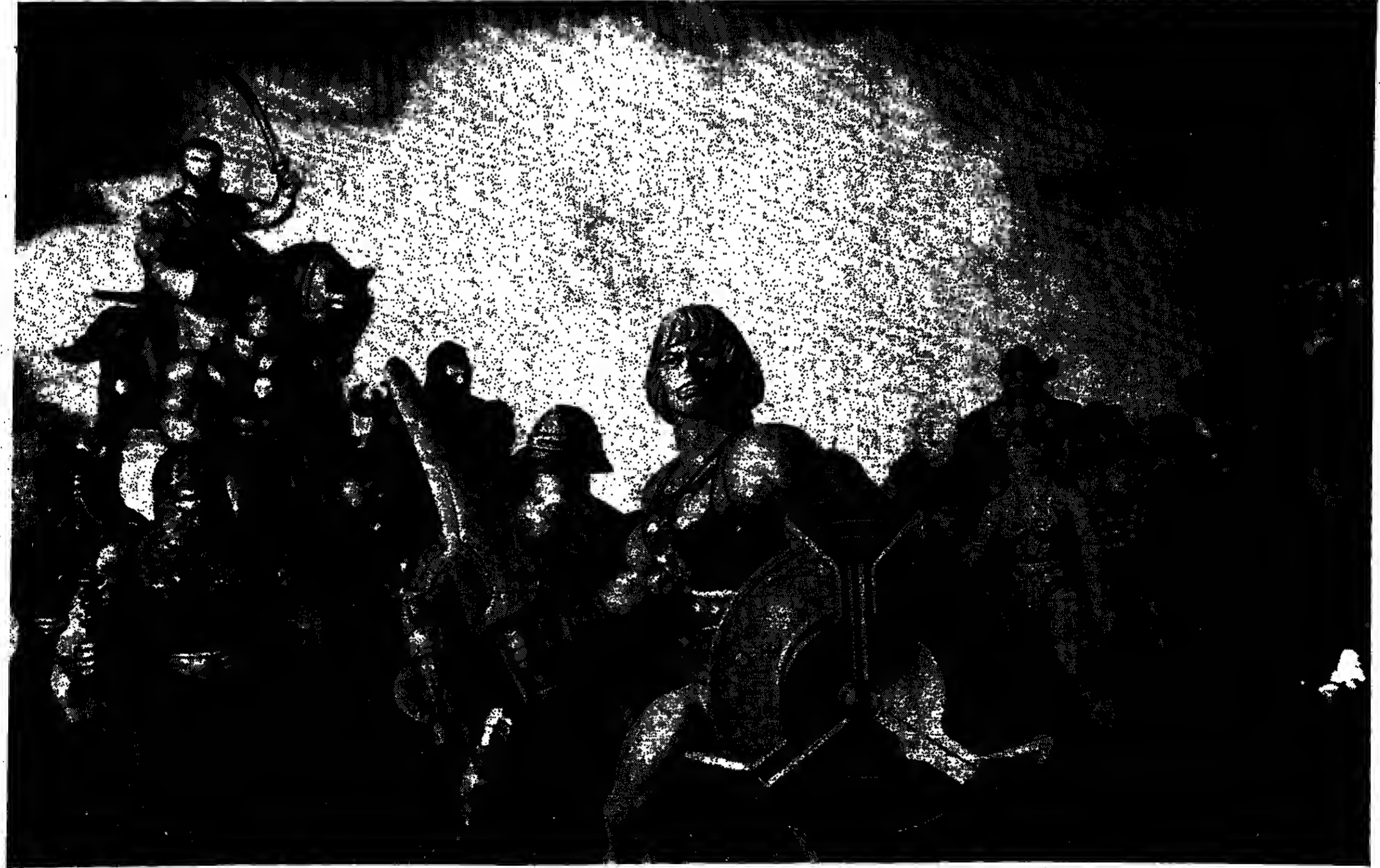
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J.P. Ciola

BUSINESS ROUNDUP

Suez Starts Trading Below Offer Price

PARIS — In their first day of trading on the Bourse, shares in the recently privatized financial group Compagnie Financière de Suez closed Monday at 261 francs (\$45.87), well below the offer price of 317 francs, dealers said.

Suez's poor showing may place new pressure on the French government to slow its plans to sell state-held companies to private investors.

Robins Urged NTT: Japan's Telephone Giant Beginning Share Issue Valued at \$37 Billion

(Continued from first finance page) plunged worldwide last month, the government and the nation's major brokerage houses are widely believed to have mounted a market support operation to maintain prices prior to the new issue.

Robins Urged To Set Aside \$2.3 Billion For Claims

By Barnaby J. Feder New York Times Service RICHMOND, Virginia — An expert witness has recommended that A.H. Robins Co. be required to set aside about \$2.3 billion to compensate 163,000 women who say they were injured by the Dalkon Shield birth-control device.

NTT: Japan's Telephone Giant Beginning Share Issue Valued at \$37 Billion

As a consequence, there is little doubt among market observers here that the issue, which is fully subscribed, will be successful.

NTT: Japan's Telephone Giant Beginning Share Issue Valued at \$37 Billion

NTT stock has been highly popular among institutions and individual investors since it was first made available in February. Issued at a price of 12 million yen a share, the share reached a high in April of 3.18 million yen before settling in its current range.

NTT: Japan's Telephone Giant Beginning Share Issue Valued at \$37 Billion

Like many other Tokyo listings, NTT has been a "story" stock, its appeal resting largely on the notion of a future society built on information industries such as telecommunications.

NTT: Japan's Telephone Giant Beginning Share Issue Valued at \$37 Billion

For the current fiscal year, which ends March 31, 1988, NTT has forecast net profit of 153 billion yen, a 3 percent gain from the previous period, on sales of 5.5 trillion yen.

German Banks' Unit Buys NYSE Seats

FRANKFURT — A unit of Dresdner Bank AG and Bayerische Hypothek- & Wechselbank AG has bought five seats on the New York Stock Exchange, bank officials said Monday.

The purchase gives the unit, ABD NY Inc., the largest number of NYSE seats of any foreign member, the officials said.

er hopes that foreign banks active in both areas were exempted by the 1978 International Banking Act.

Group Seeks Control of CNW In \$559 Million Buyout Plan

CHICAGO — CNW Corp., the railroad holding company, said Monday that it had received a leveraged buyout proposal valued at \$559 million from a group led by the New York investment banking firm Gibbons, Green, van Amerongen Ltd.

and securities for each share of CNW they own.

Unisys to Buy Timeplex In \$305 Million Deal

NEW YORK — Unisys Corp. said Monday that it had agreed to acquire Timeplex Inc., a leading maker of voice-data communications networks, in a stock swap worth about \$305 million at current share prices.

CNW said that its board had formed a committee to consider the proposal, under which Gibbons, Green investors would make a \$60 million equity investment for a 57.5 percent interest in a new company known as New CNW.

Pickens Raises Stake in Singer

AMARILLO, Texas — Mess Limited Partnership, led by T. Boone Pickens, said Monday it had raised its stake in Singer Co. to 9.9 percent.

Bridge Syndrome

In ancient times many people never got out of the towns where they were born because they believed there were trolls under the bridges.

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Table with 2 columns: Asset Name and Price. Includes US Dollar Cash, Multi-Currency Cash, Dollar Bonds, Multi-Currency Bonds, Sterling Bonds, Deutschmark Bonds, Yen Bonds, ECU Bonds, Sterling Equity, US Equities, Japanese Equities, Global Equities, Sterling Cash, and Gold.

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Page

Monday's AMEX Closing

Totals include the nationwide prices on the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press.

12 Month High	12 Month Low	Stock	Div. Yld. PE	52-Week High	52-Week Low	Close	Change
11 3/4	11 1/8	3M	3.7 33	12 1/8	11 1/8	11 3/4	+
12 1/2	12	4 1/2	3.7 33	13 1/8	12 1/8	12 1/2	+
13 1/2	13	5 1/2	3.7 33	14 1/8	13 1/8	13 1/2	+
14 1/2	14	6 1/2	3.7 33	15 1/8	14 1/8	14 1/2	+
15 1/2	15	7 1/2	3.7 33	16 1/8	15 1/8	15 1/2	+
16 1/2	16	8 1/2	3.7 33	17 1/8	16 1/8	16 1/2	+
17 1/2	17	9 1/2	3.7 33	18 1/8	17 1/8	17 1/2	+
18 1/2	18	10 1/2	3.7 33	19 1/8	18 1/8	18 1/2	+
19 1/2	19	11 1/2	3.7 33	20 1/8	19 1/8	19 1/2	+
20 1/2	20	12 1/2	3.7 33	21 1/8	20 1/8	20 1/2	+

12 Month High	12 Month Low	Stock	Div. Yld. PE	52-Week High	52-Week Low	Close	Change
11 3/4	11 1/8	3M	3.7 33	12 1/8	11 1/8	11 3/4	+
12 1/2	12	4 1/2	3.7 33	13 1/8	12 1/8	12 1/2	+
13 1/2	13	5 1/2	3.7 33	14 1/8	13 1/8	13 1/2	+
14 1/2	14	6 1/2	3.7 33	15 1/8	14 1/8	14 1/2	+
15 1/2	15	7 1/2	3.7 33	16 1/8	15 1/8	15 1/2	+
16 1/2	16	8 1/2	3.7 33	17 1/8	16 1/8	16 1/2	+
17 1/2	17	9 1/2	3.7 33	18 1/8	17 1/8	17 1/2	+
18 1/2	18	10 1/2	3.7 33	19 1/8	18 1/8	18 1/2	+
19 1/2	19	11 1/2	3.7 33	20 1/8	19 1/8	19 1/2	+
20 1/2	20	12 1/2	3.7 33	21 1/8	20 1/8	20 1/2	+

12 Month High	12 Month Low	Stock	Div. Yld. PE	52-Week High	52-Week Low	Close	Change
11 3/4	11 1/8	3M	3.7 33	12 1/8	11 1/8	11 3/4	+
12 1/2	12	4 1/2	3.7 33	13 1/8	12 1/8	12 1/2	+
13 1/2	13	5 1/2	3.7 33	14 1/8	13 1/8	13 1/2	+
14 1/2	14	6 1/2	3.7 33	15 1/8	14 1/8	14 1/2	+
15 1/2	15	7 1/2	3.7 33	16 1/8	15 1/8	15 1/2	+
16 1/2	16	8 1/2	3.7 33	17 1/8	16 1/8	16 1/2	+
17 1/2	17	9 1/2	3.7 33	18 1/8	17 1/8	17 1/2	+
18 1/2	18	10 1/2	3.7 33	19 1/8	18 1/8	18 1/2	+
19 1/2	19	11 1/2	3.7 33	20 1/8	19 1/8	19 1/2	+
20 1/2	20	12 1/2	3.7 33	21 1/8	20 1/8	20 1/2	+

DOLLAR: Record Lows

Continued from first finance page. The dollar's decline is being watched closely by the Bank for International Settlements meeting in Basel. Central bankers made an announcement to support the dollar.

The dollar's decline was watched closely by the Bank for International Settlements meeting in Basel. Central bankers made an announcement to support the dollar.

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NASDAQ prices as of 4:00 p.m. New York time. Via The Associated Press.

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Norway (post) N.Kr.	1,800	990	540
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Spain (post) Ptas.	29,000	16,000	8,800
— Madrid (hd. del.) Ptas.	42,000	21,000	10,500
Sweden (post) S.Kr.	1,800	990	540
— ** (hd. del.) S.Kr.	2,300	1,270	700
Switzerland S.Fr.	510	280	154
Rest of Europe, N. Africa, former Fr. Africa, Middle East \$	430	230	125
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CURRENCY MARKETS

DOLLAR: New Record Lows

(Continued from first finance page) news from the Bank for International Settlements meeting in Basel. The central bankers made no firm commitment to support the dollar.

Many dealers were awaiting a report that is to be released Thursday on the U.S. merchandise trade deficit for September. But they differed on what impact the trade data would have on the dollar.

Most economists foresee a trade deficit of \$14.5 billion to \$15.0 billion for the month, following August's \$15.68 billion shortfall.

Some dealers say those figures are now less important than the U.S. budget talks. Others say a figure too far from the forecasts could either precipitate a new fall in the dollar or spark a steep rally.

Amid the uncertainty, some dealers are calling for a temporary, chart-based rally for the dollar before Thursday's report.

London Dollar Rates table with columns for currency, rate, and source.

Since January 1985, when the dollar was at 3 DM and 250 yen, it has lost more than 46 percent of its value against the yen and more than 47 percent against the mark.

The dollar's fall accelerated after the September 1985 "Plaza Accord," in which leading industrial nations agreed to a controlled decline to try to correct the U.S. trade deficit.

Since the stock market plunge of Oct. 19, the dollar has fallen about 6.6 percent against the yen and 8.3 percent against the mark.

In earlier European trading, the dollar was fixed in Frankfurt at 1.6719 DM, down from 1.6785 DM on Friday, and in Paris at 5.674 francs, down from 5.6925. It closed in Zurich at 1.373 Swiss francs, down from 1.3755. (Reuters, UPI)

BIS: Vague Assurances on Dollar

(Continued from Page 1) ments imbalances, promoting exchange rate stability and sustaining noninflationary growth."

The central banks declared themselves to be "ready to support these objectives with appropriate monetary policies."

The central bank officials had cautioned observers not to expect any major developments at the meeting of the Bank for International Settlements, despite the recent turmoil in the financial market.

Satoshi Sumita, governor of the Bank of Japan, said he had spoken with Mr. Greenspan and that they

both "held the same position in that we both want stable exchange rates."

But Mr. Sumita said joint measures were not discussed and that he had not been asked to take action on interest rates.

Lamberto Dini, director-general of the Bank of Italy, said interest rates were being discussed but that another round of major rate cuts was unlikely.

In January, the leading industrial nations jointly lowered their discount rates in an attempt to spur economic growth and stabilize the dollar.

WORLD: Europe, Tokyo Prices Off

(Continued from first finance page) with domestic investors taking little action.

Dealers noted, however, that the dividend yield of some shares was now higher than the 6.31 percent yield on the new West German federal government bond.

Banks, cars and electricals led other sectors lower, dealers said. In London, the Financial Times-Stock Exchange 100-share index closed 55.60 points, or 3.43 percent, down at 1,565.20, breaking through the 1,600 barrier for the first time since late October 1986.

"As Wall Street went lower again at the opening, so more sellers moved into the market to unload," said Antony Laiker of Greenwell Montagu, the London brokerage.

A spokesman for Phillips & Drew, another brokerage house, said: "The market is still very nervous, and with no good news coming from the United States on budget or trade deficits, only minus signs are being seen."

Dealers had been fearing a lower Wall Street opening after news on Friday that restrictions on futures-related program trading were to be lifted.

In Paris, French share prices ended the continuous session lower in thin trading, with investors reluctant to take new positions in the absence of fresh news, dealers said.

Prices ended off their day's lows, with the Bourse indicator showing a fall of 3.85 percent based on late trades, above the 4.50 percent decline recorded at midday.

In Tokyo, dealers blamed the depreciation of the dollar for the fall in stock prices, as the U.S. currency fell to a postwar low of 135 yen in Tokyo trading.

The Hong Kong stock market closed higher Monday in light trad-

ing, with the Hang Seng index ending the day at 2,139.31, up 25.64 points, or 1.21 percent.

The market opened weakly, but rose throughout the day on bargain-hunting to post final gains for the second straight trading day.

In Sydney, bargain-hunting also pushed stocks modestly higher, in line with firmer prices for metals. But the gains hardly lent the 45 percent of equity lost since the Oct. 20 collapse.

The key market barometer, the All Ordinaries Index, finished 13.90 points higher at 1,251.50 a recovery of 1.1 percent of share values.

(Reuters, UPI, AFP)

VOLCKER: After Markets' Fall, All Eyes Are on Fed's Former Chairman

(Continued from first finance page) things. I'm not saying we can fine-tune it. You can get a situation that is so upset and filled with risk that there is no right policy. I don't think it has to get that way. I think we've had a little warning; we haven't had a catastrophe."

"A little warning?" "An extremely sudden warning," he concedes. "I don't think it's comparable to '29." He points out that in 1929 Wall Street had neither program trading nor portfolio insurance.

"The market went up 30 percent this year and it's gone back down 30 percent to where it was at the beginning of the year," he notes. "It's very hard not to rail at the index futures markets — I don't think these techniques add much to the sum of human endeavor. And the growth and close linking of international financial markets add to the size and speed of the reaction. The technical capabilities of communications and computers increase the volatility of markets. We're not just in a steady-state situation."

He insists that there is time to deal with the underlying problems threatening the American and the world economy. "The last depression was an international phenomenon," he says. "There was a long time after the stock-market event in 1929 before the economy crashed. There were great disturbances in financial markets — you had the collapse of the Credit-Anstalt bank in Austria followed by bank failures all over the world."

"That's why we have the glories of bank protection today," Mr. Volcker says, a little bitterly. His defense of bank regulation was one of the reasons he was unpopular with many big bankers and the Reagan administration. "It's ironic," he says, "that all the trumpeting now of these protections stem-

ing from 1929 is being done by the same sources that have been trying to get rid of them and remove all inhibitions on the free markets."

On May 31, the day before Mr. Volcker's resignation was announced, a high administration official said privately that, with the

recession in 1980, the dollar stable and the stock market moving up, it was as good a time as any to replace Mr. Volcker at the Fed.

In addition, the administration was apprehensive about leaving the control of monetary policy to the rough and independent Mr. Volcker in the coming election year. A recession in 1988 could mean the loss of the presidency for the Republicans. Mr. Volcker's bold monetary policy in 1979, it was thought, aimed at halting double-digit inflation and rescuing the falling dollar, had contributed to a recession and the loss of the White House for Jimmy Carter and the Democrats in 1980. Although the Reagan administration subsequently took credit for stopping inflation, it then blamed Mr. Volcker for the recession of 1981-82.

All this, needless to say, takes on ironic overtones given the events of the week of Oct. 19. But even before the market plunged, Mr. Volcker was worrying about "obvious imbalances," expressing sur-

prise "that some of these vulnerabilities haven't come home to roost sooner."

The imbalances that trouble him still are the huge budget deficit in the United States as well as the U.S. merchandise trade deficit and trade surpluses abroad, especially in Japan and West Germany. Also

Mr. Volcker says that given the volatility of the markets, "you have to be, on the one hand, prepared to provide liquidity" that is, to increase the cash reserves of banks to enable them to keep lending to troubled customers, "and deal with points of strain — and the market calls for that when they feel they are in trouble. But you have to keep a weather eye out against the risks of reigniting inflation."

Incapable of shedding his public responsibilities even in private life, Mr. Volcker has sought to give his support to his successor at the Federal Reserve, Alan Greenspan. He knows only too well the horrendous difficulty of Mr. Greenspan's job. "I think Alan is a very careful, a kind of cautious economist," he says. "I sense there a lot of respect for institutions. He's not a barn-burner, and in that sense he's good for the Federal Reserve."

His years in government have left him with extremely modest savings. But while he insists that one of his reasons for leaving the Fed was his desire to enhance his financial situation, misgivings about making money in ways he fears might conflict with the public interest clearly trouble him.

To the meantime, he is asked, should people stay in or stay out of the stock market? "First of all," he says, "I don't think substitutively I can give you an intelligent answer. And if I gave you a clear answer, it would almost by definition be unintelligent, because I don't think it's that clear."

But, he says, "I do think that we have a peculiar mixture of unparalleled opportunity and significant risk at the same time. We've come off this inflation thing, had a big recession, big difficulties, but with the economy in a position — even now it's been expanding for almost five years. There is no inherent reason why it couldn't go beyond."

Discussing what the Fed can do,

Paul A. Volcker

Split Reported In German Policy

FRANKFURT — A Frankfurt-based newsletter, Platow Brief, reported Monday that the president of the Bundesbank, Karl Otto Poehl, favored an early revaluation of the Deutsche mark within the European Monetary System, but that Finance Minister Gerhard Stoltenberg opposed such a move.

A spokesman for the central bank declined to comment on the report, said to be based on accounts of last Thursday's meeting of the bank's policy-making central council.

Mr. Stoltenberg reportedly was concerned that German farmers would be hurt by a revaluation of the Deutsche mark. The report said that Mr. Poehl also proposed a simultaneous cut of one-quarter percentage point in the 3 percent discount rate to counterbalance any fall of the dollar.

Monday's OTC Prices NASDAQ prices as of 4 p.m. New York time. Via The Associated Press

Table of OTC prices for various stocks including AGW, AIG, AIZ, etc.

Table of 12 Month High Low Stock Div. Yld. PE High Low 4 P.M. CHG

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Monday's AMEX Closing Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Table of AMEX closing prices for various stocks.

Advertisement for a business service, mentioning "Novelty included" and "hand a firm" with various services listed.

Large table of stock market data, including various indices and individual stock prices, organized in columns.

SPORTS

Soviet Union Ponders an Abrupt Upsurge in Violence by Soccer Fans

MOSCOW — The official accounts made it more like a street battle from the Bolshevik revolution than a fight between soccer fans. Scores of train and shop windows were smashed as rival fans armed with bricks, rocks, bottles and clubs battled on a railway platform in the Ukrainian capital of Kiev following a Sept. 19 match between league-leading Moscow Spartak and fading powerhouse Dynamo Kiev.

wearing clothing on the streets of Kiev that bore a Spartak logo. The September riot in Kiev, dubbed by some newspapers as the decade's worst soccer violence in the Soviet Union, has triggered an investigation into what now appears to be a growing and increasingly dangerous phenomenon. Soviet fans display the familiar weapons of the soccer wars: sharpened belt buckles, brass knuckles, crude zip guns and home-made fire bombs are among the arsenal.

behavior normally induced by the tight police controls imposed on large gatherings in the Soviet Union. Visiting musicians, especially rock performers, often complain of a lack of animation in Soviet crowds. But Soviet soccer crowds are notably similar to others around the world — with banners waving amid hooting and whistling. There is often a general feeling of undirected anger and frustration; women, once a substantial part of stadium crowds, are now a rarity.

outlet for nationalist sentiment among minority cultures threatened with domination by all things Russian. "Such fans, without knowledge, provide fuel to those who try to give nationalized coloring to such incidents," warned Moscow's Komsomolsk. Certainly to blame are crowds of bored and disaffected youths, apparently trying to express frustration with the system. While authorities normally crack down on such outlets that smack of political origin or Western influence — rock music, for instance, or motorcycle clubs — it would be ludicrous to ban soccer.

"No reports on these incidents were made public before, although measures — and rather strict ones — were taken regarding pseudofans," he said. "But I was literally stunned by the incident in Kiev. The fight developed on an unprecedented scale." Among the measures taken to control soccer violence has been the barring of alcohol from stadiums and beefing up the number of police at matches. Children under 16 are barred from attending night matches. Visiting and home fans are being segregated at most stadiums this year in an attempt to defuse potential clashes. Cafes and the beer bars that have been identified as gathering places for troublemakers are being shut on game day.



Fitzgerald Dies in Trans-Am Crash Jim Fitzgerald (above, right, with his racing partner, actor Paul Newman) was killed Sunday when he crashed his Nissan 300ZX Turbo during a Sports Car Club of America Trans-Am event in St. Petersburg, Florida. With more than 350 victories, Fitzgerald, 65, was the most successful driver in the SCCA's 40-year history. He and Newman, 62, comprised the oldest team in auto racing.

Kick by Butler at Final Gun Rallies Bears

Completed by Our Staff From Dispatches GREEN BAY, Wisconsin — Placekicker Kevin Butler wanted to kick himself after missing his first two field goals Sunday. Instead, he kicked the Chicago Bears.

"You can't go 3-for-9 and kick in this league," Butler said. "I just want to thank the Packers for calling a time-out. It cleared my mind. I was able to set up well — I chopped up the turf and make a little mound for the hold."

The Saints' first victory over at Anaheim Stadium in six years matches their best start in the 21 seasons of the franchise; the 1979 team also got off to a 3-3 record before finishing 8-8.



Kevin Butler gave his teammates a lift, and got one in return.

SCOREBOARD

Football

Table containing U.S. College Standings and NFL Standings. U.S. College Standings lists various conferences like Big Ten, SEC, and Pac-10 with their respective records. NFL Standings lists the American Conference and National Conference with team records.

Hockey

National Hockey League Standings

Table showing National Hockey League Standings, including the Wales Conference and Sunday's Results for various teams like New Jersey, Philadelphia, and Montreal.

Transition

Table titled 'Transition' listing various sports events and results, including American League, National Hockey League, and National Basketball Association.

VANTAGE POINT/Ira Berkow

Billy Williams, Aiming High, Says No to the Cubs

New York Times Service NEW YORK — A first-base coach in baseball must know how to think not only with one eye, but with two. These are among his essential functions, along with being nimble enough to dodge foul balls. Signals to a runner on first, similar to those flashed for Phil Rhee, are sometimes one hand for a steal and two for a hit-and-run.

Final CFL Standings

Table showing Final CFL Standings, including Eastern Division, Western Division, and National Conference.

Tennis

Women's Tournaments

Table listing Women's Tournaments, including the WTA Finals and various regional events.

CFL Playoff Schedule

Table showing CFL Playoff Schedule, including Eastern Division Semifinal, Western Division Semifinal, and National Conference.

Basketball

NBA Standings

Table showing NBA Standings, including Eastern Conference and Western Conference.

INTERNATIONAL CLASSIFIED

Table titled 'INTERNATIONAL CLASSIFIED' listing various international services and agencies, including escorts and guides.

ESCORTS & GUIDES

Table titled 'ESCORTS & GUIDES' listing various international services and agencies, including escorts and guides.

